



The last parade: President Sadat on the reviewing stand with Vice-President Hosni Mubarak (left) and Mr Abu Ghazala, the Defence Minister, just before troops burst out of the parade and fired the fatal shots.

Middle East turmoil after Sadat's assassination by own soldiers

By Peter Hopkirk

President Anwar Sadat, aged 62, of Egypt, the peasant's son who tried to bring peace to the Middle East, died at the hands of a group of his own soldiers during a military parade in Cairo yesterday.

The assassination threw the Middle East into turmoil and caused alarm in Israel and western capitals. But news of it was greeted with joy by his foes, PLO men in Beirut fired their weapons into the air in celebration.

The attack took place during the annual October 6 parade to celebrate the day, eight years ago, when Egyptian troops launched a successful surprise attack across the Suez Canal into Israeli-occupied Sinai.

Eye-witnesses say that a soldier clutching a hand-grenade leapt from a vehicle towing an artillery piece as it drew level with the reviewing stand where the President was sitting. He hurled it in the direction of the Egyptian leader, but it was seen to fall slightly short of its target.

At the same moment, five other blue-bellied soldiers leapt from the vehicle and began to spray the reviewing stand with bullets from their Kalashnikov rifles.

In addition to fatally wounding the President, they killed seven other senior Egyptian officials and guests, including at least one foreigner. The British ambassador, Sir Michael Weir, who was only 15 yards from the Egyptian leader, threw himself to the ground. Neither he nor the British military attaché, Colonel Peter Rosser, was hurt.

According to one senior western diplomat, "two or three" Egyptian generals, seated close to Sadat, appeared to be gravely wounded. Panic and confusion broke out as the presidential bodyguard returned fire. Shooting, according to one western eye-witness, continued for at least five minutes.

President Sadat was rushed to hospital by military helicopter. It is believed that he died while surgeons were operating to save his life. He was known to suffer from heart trouble. His death was announced on state-run television some seven hours after the attack. Last night the streets of Cairo, normally crowded with strollers, were almost deserted and strangely silent. Normal television broadcasts were suspended and texts from the Koran screened instead, and a one-year state of emergency was declared by Vice-President Hosni Mubarak, who is 53. Egyptians were told that a new leader would be chosen within 60 days, with Sadiq Mubarak, Speaker of the People's

Assembly, acting as caretaker President in the meantime.

Mr Mubarak gave assurances that Egypt would stand by the late President's policies, but last night there was concern in western capitals, particularly in Washington and Tel Aviv, about Cairo's future direction.

In Beirut, three different groups claimed responsibility for the attack. However, well-placed sources in the Egyptian Army, who requested anonymity, said that the attackers, led by a lieutenant, were six members of an artillery unit. Two of them had died, one speared by a lance, while the remaining four were being interrogated last night. The sources said that the men were members of a Muslim fundamentalist group.

An anonymous caller to news agency offices in Beirut, however, claimed that the assassins were "free officers" belonging to an organization headed by Lieutenant Saad al-Shazli, a former Egyptian chief of staff. In a broadcast on Libyan television yesterday he hailed the assassins as "patriots" but did not himself claim responsibility for the attack.

A British relative of President Sadat, a British-born Egyptian who began to study in England, was planning to bring her to safety in England. He is Mrs Stanley Mubarak, aged 73, her uncle who lives in a bungalow in Bradwell, Derbyshire, and has twice visited the Sadat family in Cairo.

Radio Moscow said that the shooting was linked to the discontents of Egyptians with President Sadat's home and foreign policies. The Israeli Prime Minister, Menachem Begin, with whom Mr Sadat had worked out and signed the Camp David accords, said the peace process would go on. "I am sure that President Sadat would have wanted it so," he said, his voice breaking with emotion.

Cairo proclaims 40 days of mourning

One of the groups claiming responsibility for the assassination is an exiled Egyptian opposition group identifying itself as the "Rejection Front for the Liberation of Arab Egypt". An anonymous telephone caller told the Beirut newspaper Al-Naba that the group's secret "Free Officers" branch within the Egyptian armed forces staged the attack.

A previously unknown group, styling itself the Independent Egyptian Liberation Organization, also claimed responsibility. In a telephone call to news agencies in Beirut, the group said it would give details later.

Another group, the "Front for the Liberation of Lebanon"

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General Saad Eddin al-Shazli, a former Egyptian chief of staff, said he was the leader of the organization which claimed responsibility.

Foreigners, which released threats to a telephone call that the Egyptian Liberation Organization comprised "Free Egyptians operating within the framework of the Front". The group has claimed responsibility for a string of bomb attacks against Palestinian targets in Lebanon in recent weeks. Yesterday's assassination was carried out "to affirm to the world that he (Mr Sadat) must keep his hands off Cyprus and Lebanon", the caller added.

In Cairo last night a 40-day period of mourning, during which flags will be flown at half-mast, was proclaimed. The assassination of President Sadat is a multiple blow for the Reagan Administration's policy towards the Middle East (Nicholas Ashford writes from Washington).

His death removes a leader in whom the Reagan and Carter Administrations had the utmost confidence and who was the central character in American plans to bring peace to the Middle East.

His death means that the Camp David process will, at best, be delayed, but, at worst, could now be blown off course.

It throws into question the final Israeli withdrawal from Sinai. It threatens to undermine American plans to establish a series of strategic relationships with pro-Western Middle Eastern countries (of which Egypt, Israel and Saudi Arabia are the most important) against Soviet interference.

It places an even larger question mark than ever over the Administration's plan to sell five A-7s surveillance aircraft and other associated defence equipment to Saudi Arabia.

Just how important President Sadat was to the United States was demonstrated by the fact that all three main television networks scrapped all their morning schedules and devoted their entire coverage to the assassination.

Near panic-stricken reigned in the White House and on Capitol Hill as rumours and counter-rumours spread as to whether President Sadat was really dead. Because of the confusion, his death was formally announced in the Senate floor by Senator Howard Baker, the Senate Republican leader, who had been formally confirmed by the White House.

As a mark of respect to the Egyptian leader, the House Foreign Affairs Committee postponed until tomorrow its vote on the controversial A-7s sale. President Sadat had strongly supported the sale when he visited Washington last August.

The House Republican leader, Speaker Carl Albert, said he had been formally confirmed by the White House. President Sadat's death is a personal loss for President Reagan as well as for other American leaders. Notably President Carter with whom he negotiated the Camp David accord. During his visit to the United States in August he developed a close rapport with President Reagan which was closer and warmer than the American President enjoys with almost any other foreign leader.

It was this relationship which has been the focus of both of America's cordial bilateral relationships with Egypt and its overall policy towards the Middle East. President Sadat was seen both as a man of peace who had taken enormous personal risks in entering direct negotiations with Israel, and as a man who had unequivocally allied himself with the United States and the West. He was a man who could be trusted to carry out American policy makers believe is rarely found in the Middle East.

The Administration's policy towards the Middle East has been one of cautious optimism. It was pointed out that President Sadat had many enemies—those who were opposed to his rapprochement

with Israel, Islamic fundamentalists and President Gaddafi of Libya to name but a few.

There was always, therefore, a chance that he would fall victim to an assassin's bullet. That has now happened and American policy looks dangerously like a theatrical production in which the lead actor has suddenly disappeared.

Initial reaction was divided as to how seriously President Sadat's death would affect the Camp David peace process. Much will depend on whether there is an orderly succession and who will be confirmed as the next Egyptian leader.

This is widely expected to be Vice-President Hosni Mubarak, who was also wounded during the shooting. Vice-President Mubarak is well known in Washington and was here just a week ago. He is considered to be a man in the same mould as President Sadat and there is confidence that he would keep Egypt on its present pro-Western course.

However, whoever succeeds President Sadat, will initially have to deal with the authority of the new president will be more cautious in his approach to the Camp David accord than President Sadat, at least until he has established himself firmly.

Pressure to curtail talks with Israel

Vice-President Mubarak is considered in Washington to be slightly less enthusiastic about the Camp David process than his predecessor. He or any other Egyptian leader is also likely to come under growing Arab pressure to curtail talks with Israel unless Israel appears to deal directly with the Palestine Liberation Organization (PLO)—which is most unlikely.

President Sadat had urged America to talk directly to the PLO during his recent American visit. But his advice was rejected.

There is less immediate concern in Washington about the impact of President Sadat's death than in American attempts to develop a strategic consensus in the Middle East.

The Egyptian armed forces, the power base both for President Sadat and any future leader, are considered to support firmly Egypt's close political and military ties with the United States, even if some officers have been dissatisfied with the level of American arms supplies to Egypt.

However, a future leader may not be prepared to be blatantly pro-Western as President Sadat and may pay more heed to the opinions of his Arab neighbours.

MPs see speech as clear challenge to leadership

Heath blast at Thatcher's 'dreary path' on recession

By George Clark, David Watts and Philip Webster

Mr Edward Heath, the former Conservative Prime Minister, yesterday made his fiercest attack so far on the Government's economic policy urging a complete reassessment and return to consensus politics and warning that "the only alternative is to drag on down the dreary path of ever-deepening recession".

In response, Mrs Margaret Thatcher, the Prime Minister, who is in Melbourne, made last-minute additions to a lecture in answer to Mr Heath's talk of consensus.

Conservative MPs at Westminster were taking sides over what many of them see as a direct challenge to Mrs Thatcher's authority as leader, and as heralding an openly divided party conference in December next week.

Mr Heath chose a meeting of the Federation of Conservative Students in Manchester to warn Mrs Thatcher that businessmen, trade unionists and ordinary citizens had reached a point where they said that the price they were being asked to pay for monetarist policies was unacceptable.

"If more than three million unemployed are necessary to get inflation down to a level higher than it was two and a half years ago, how many more millions of unemployed will be required to bring it down to what level—no level which has never been revealed?", he asked.

In outlining his alternative, Mr Heath said Britain needed to return to the European Monetary System, resume the powers of exchange control, reduce interest rates, spend on selective capital investment, embark on a massive retraining programme, and eventual abolition of the national insurance surcharge.

With anger, he indirectly challenged Mrs Thatcher and her Treasury colleagues: "How dare those who run the biggest budget deficit in history reproach others with the heinous crime of printing money?" It was an obvious reference to attacks made on his administration when inflation was out of control prior to the 1974 general election.

Although he did not once refer to Mrs Thatcher by name in his speech, the implication was clear, especially when he called for a reassessment of policy and return to consensus.

"Some people are still reluctant to embark on this, either because they became hooked at an earlier stage on a simple policy of pure monetarism from which they cannot become unhooked, or because they gave promises to make major increases in defence expenditure, to continuously slash taxes and to produce a balanced budget all the same time. Quite obviously that cannot be done," he said.

Consensus was created by a continuing process of consultation and discussion in which government demonstrates its determination to tackle the difficulties which cause tension within society, among them unemployment, inner city decay and racial discrimination.

Mr Thatcher's long distance reaction was to describe her

self as a politician of conviction rather than pragmatism. Delivering the 1981 Sir Robert Menzies lecture at Monash University, Melbourne, the Prime Minister riposted to Mr Heath's attack.

"For me pragmatism is not enough, nor is the fashionable word consensus. When I asked one of my Commonwealth colleagues why he kept saying there was a consensus on a certain matter, another replied in a flash: 'Consensus is the word you use when you cannot get agreement', she said.

"For me, consensus seems to be the process of abandoning all beliefs, principles, values and policies. So it is something in which no one believes and to which no one objects. It is the process of avoiding the very issues that have to be solved merely to get people to come to an agreement on the way ahead.

"What great causes have been fought and won under the banner of 'I stand for consensus'?" she asked.

By the effects on the cost of servicing government debt, by the increase in government revenue, consequent upon increased economic activity, and by lightening the burden on industry and small businesses, the scene would be set for increased investment, reduced corporate taxation and more jobs.

It would improve corporate finance and profits, an essential precondition of economic recovery, and the process should be assisted by the reduction and final abolition of the national insurance surcharge, which was a tax on employment and production. The nation also needed a massive training and retraining programme not just to take young people off the streets but to provide a sound basis for the expansion of industry and services in the future.

"No one will ever convince the exponents of the doctrine of monetarism that it is now inadequate," Mr Heath said. The answer will always be that it has not been tried hard enough or long enough, or that interest rates did not go high enough, or that government spending was not slashed enough, or that it should have been slashed more quickly to produce the desired results.

But the man in the street was asking a series of questions and was not getting satisfactory answers. Mr Heath's implication was that the Conservatives must lose the election if fresh answers were not given.

At the beginning of his speech Mr Heath admitted that perhaps he and others had remained silent for too long in order that the dire consequences of the present domestic policy could be more widely recognized. They had hoped that there would be a more gradual approach. But that was not to be.

At Westminster, support for the Government came from Sir William Clark, chairman of the backbench finance committee and MP for Croydon, South. "The Government is right in pursuing its hard policy in that it is determined to cut down the overspending that successive governments have indulged in," he said.

Referring to Mr Heath's comments that Britain should break free with other EEC countries from the rise in interest rates led by the United States, Sir William said: "We cannot isolate ourselves from the rest of the world, particularly America, if we are overspending at the rate of over £20,000 a minute."

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Leading article, page 17

Money supply up 2% in September, page 21

To Mrs Thatcher's claim that there was no alternative to her policies, Mr Heath insisted: "There is another way. It will require a dramatic change in policies and it will involve the whole of Europe if it is to be successful, but it is an alternative which I believe the Conservative Party ought to follow."

He said the main objective of the new policy must be to break away from the killing treadmill of spiralling interest rates. In his advanced text, he referred to the massive Trojan horse conveyed by United States monetary conditions into our own markets "with the result that there were wild fluctuations in the value of the pound, but he made no reference to it in his speech."

Britain needed to join the European Monetary System with a view to stabilizing the European currencies and to work with our partners in the European Community "to put a ring fence around its money and capital markets" thus enabling European currencies to disengage from the aberrations in the rest of the world.

"Britain should resume the use of our powers of exchange control as part of an EEC exchange control system applying to third countries," Mr

Williams set to fight at Crosby

From Julian Haviland, Political Editor, Bradford. Mrs Shirley Williams brought the Social Democrats cheering to their feet at their conference yesterday when she declared that she would be willing, if invited, to fight the by-election in the solidly Conservative seat of Crosby.

But she came near to saying that she had no chance of winning. "We in this party have to scale unscalable heights," she said. "We have to take impossible risks."

The Conservative majority in Crosby at the last general election was 19,272. The seat fell vacant last Thursday on the death of the member, Sir Graham Page. On Monday Mrs Williams told her three co-leaders of the SDP, and Mr David Steel, the Liberal leader, that she wanted to have a go and they gave her their blessing. But they had no notion that she planned to declare herself so soon.

In fact Mrs Williams had little choice. Her reluctance to fight the Warrington by-election in July disappointed her friends and made her look less a potential leader than Mr Roy Jenkins, who was bold enough to try.

Now she has a chance to recover the points she lost to Mr Jenkins by coming a good second, as he did.

Last night, Mr Anthony Hill, adopted only last week as prospective Liberal candidate, said he was ready to stand down.

He said he would be happy to contest the seat for the SDP at the general election.

SDP conference, page 8

Miners say 9% is not enough

The miners are again on course to become pace-setters in the campaign by powerful unions against the Government's 5 per cent limit for public service workers. Coal board negotiators indicated that £120m was available, estimated to produce 8 or 9 per cent, but miners' leaders say more must be offered to avoid a winter confrontation. It is clear that more money will be produced and union leaders confidently expect to break the double-figure barrier. Their claim if met in full could herald the appearance of the top-flight face worker earning £10,000 a year. Page 7

Israeli missile boat refloated

An Israeli missile boat which ran aground on the Saudi Arabian coast was refloated 62 hours later after Tel Aviv had warned the Saudis not to interfere. Troops on both sides of the Gulf of Aqaba were strengthened, but there was no confrontation. Page 4

Money supply fear confirmed

Poor money supply figures for September confirmed suspicions that a failure to meet financial targets was the reason that the Bank of England has not intervened to prevent higher interest rates. In the four weeks to September 16, sterling M3, the broad measure of the money supply, is estimated to have risen by about 2 per cent. But there are hopes that the higher interest rates will help to adjust the position. Page 21

US criticized at summit

The Commonwealth Heads of Government, nearing the end of their eight-day meeting in Melbourne, called for concerted efforts to break down world trade barriers and to develop new sources of energy and food. The United States was the subject of extensive criticism from Commonwealth island communities for its failure to move faster to conclude the Law of the Sea conference. Page 4

Kuwait oil bid

The Kuwait Petroleum Corporation, owned by the Kuwaiti Government, has made an agreed bid of \$2,500m (£1,350m) for Sante Fe International Corporation, which owns part of the North Sea Thistle field. Page 21

De Lorean to sue for libel

Neither the Prime Minister nor anyone else had ordered an investigation into the affairs of the De Lorean car company in Northern Ireland, Sir Ian Gervail, QC, the Solicitor General, said. Mr John De Lorean instructed lawyers to start libel proceedings against those involved in "vicious slandering". Back page

Nuclear rebels

M. Pierre Mauroy, the French Prime Minister, is to bring his Government's nuclear rebels into line by turning the decision of the debate on energy into a vote of confidence. The opposition wants to censure the Government on the budget deficit. Page 4

Blanket protest end in sight

There are hopes that the blanket protest at the Maze prison, Belfast, may end after the reforms announced by the Government. Republican prisoners were studying the proposals, but there has already been cautious praise from Roman Catholic politicians and a protest from Protestants. Mr James Prior, giving details of the reforms, allayed fears that a flood of prisoners would be released simultaneously by the restoration of remission. Back page

Anti-party bias of Solidarity

Elections to the national coordinating commission of Solidarity, the Polish trade union, are showing a strong bias against communist party members. There have also been some surprising defeats of the union's own well-known activists and victories for hitherto unknown personalities representing conflicting currents. There is also a trend against people directly identified with the solved dissident group KOR. Page 4

The Times

We apologise to readers for the omission of the first leading article and Financial Editor's page from some copies of yesterday's first edition. This was due to technical difficulties. Part Two of "The plight of Britain's youth" is held out of today's paper, owing to pressure on space.

Overseas News pages precede Home News pages in today's paper.

Leader page, 17
Editors: On a leader for SDP from Mr Tyrrell Burgess and Mr M. J. Lynch, reselecting MPs from Mr Frank Field, MP; Nobel Prize for Solidarity, from Professor John Hutchinson
Leading articles: President Sadat; Mr Heath.

Sicily: A three-page Special Report appears on pages 13-15

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University results, page 9

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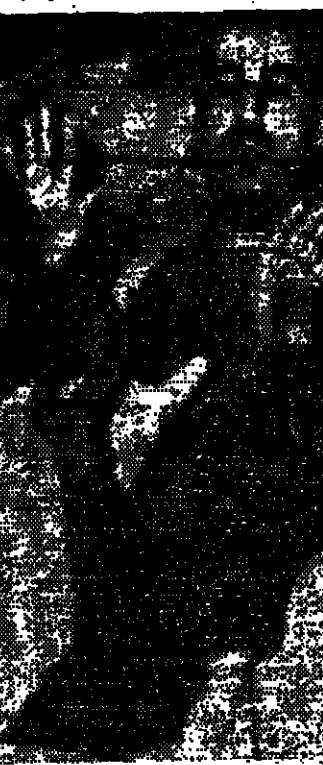
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1918-1938
Peasant to officer
In February 1938 the peasant's son from the Nile Delta was commissioned as a second lieutenant after graduating from the Royal Egyptian Military Academy. He had been born on Christmas Day—19 years earlier in the small village of Mit Abdal-Kim, receiving his early education at a nearby Coptic school.



1939-1969: Plotter to Vice-President
As a young officer he had got to know another subaltern, Gamal Abdel Nasser (seen with him here at prayer)—left—in the holy city of Mecca, whom he described later as a "serious-minded youth who did not share his fellows' interest in



jesting". In 1939, Sadat founded a secret society of army officers called the Free Officers Organization, sworn to eject the British from Egypt by armed revolution. Later, in 1942, Nasser took over its leadership. That same year Sadat was arrested and jailed by the British for his contacts with German



spies in Cairo. In 1944 he escaped from prison and became a fugitive. Eight years later—on July 22, 1952—he, Nasser, General Neguib and others successfully overthrew King Farouk. In 1960, Sadat became Head of the Egyptian Parliament, and in 1969 Vice-President to Nasser.



1949
Marriage—and happiness
In 1949 he married for the second time. His bride was Jihan, a half-English girl living in Egypt, by whom he was to have three daughters and a son. Jihan, herself a sophisticated,



Western-oriented woman, is credited with being responsible for his elegant dress and appearance, including his British-tailored suits. He had three daughters by his first wife, all of whom married army officers.



1970: Man of Prayer
On September 28, 1970 President Nasser died of a sudden heart attack. Three weeks later Sadat, a devout Muslim, was sworn in as Egypt's



third President after nationwide elections. This picture, showing the late President at prayer at his home, was taken by his official photographer, Farouk Ibrahim,

The path to tragedy

How a peaceful day erupted in a fatal burst of gunfire

By our Foreign Staff

Anwar Sadat often surprised his enemies with his political skills and the world with the boldness of his gestures. But yesterday the elements of surprise and boldness lay with his enemies.

Dressed in full military uniform, President Sadat went to the Medinet Nasr stadium in a Cairo suburb for the sixth of October military parade.

He saluted waiting army units then mounted a podium for the march past. The vice-president, Mohammed Hosni Mubarak, and the Defence Minister General Abu Ghazala sat on either side.

As six Egyptian Air Force fighters twisted overhead in an aerobatics display, President Sadat's enemies got him in their sights as he stood on the reviewing stand during a military parade marking the eighth anniversary of Egyptian troops crossing the Suez Canal into Sinai in the 1973 war with Israel.

On the parade ground at the Medinet Nasr stadium in northern Cairo just yards from the president's long conveyer of sand-coloured lorries towing artillery weapons trundled by, four abreast. It was 12.40 pm.

A lorry stopped in front of the official reviewing stand, apparently with engine trouble. It finally restarted, then stopped again. Bjorn Kristvik, the Norwegian Ambassador to Egypt, said. He was on the reviewing stand with many of the Cairo diplomatic community.

An officer then got out of the lorry and threw a grenade or two in the direction of the Egyptian president. Soldiers in the rear of the truck then fired at the stand and the presidential guard immediately returned fire.

In five seconds everything was panic, as platform dignitaries dived for cover.

Mr James Tully, the Irish Defence Minister, tried to edge back off the platform but Mr Sadat's slumped body prevented him. "I kept moving back but couldn't move because Mr Sadat's body was behind me. I didn't see him being hit but I saw blood on his face."

Confusion and panic broke out among the thousands of spectators near the reviewing stand, with people fleeing in all directions. The pterosaur-like armoured vehicles. Many people were knocked down and some were reported crushed under the wheels of 30-ton anti-aircraft missile transporters. The parade ended in chaos as the Suez Canal in the dying days of Iran's Peacock throne.

Among leading government figures in the United States, Israel and many European countries, the assassination of the Egyptian President has been the recurrent nightmare dominating much thinking about the Middle East.

It was generally accepted that forces and anti-riot police deployed, but there were no troop movements.

Mr Sadat was sitting on the reviewing stand beside Vice-President Hosni Mubarak and Muhammad Abdel-Halim, the Egyptian Defence Minister, when the first two grenades exploded and the armed group jumped out of its vehicle and charged the reviewing stand.

More grenades exploded as the politicians and diplomats threw themselves to the floor. The heaviest fire from the attackers' Kalashnikov sub-machine guns appeared to hit the seats behind the presidential dais where blood stains soon covered the carpet.

Two soldiers fell in the gunfire, but in the confusion it was unclear whether they were also involved in the attack. Several others fled towards a hill near by chased by other troops, while below the reviewing stand guards waving pistols and machine guns scuffled with some of the attackers and occasional shots went off in the scramble.

Mr Alfred Atherton, the American Ambassador, who was standing near Mr Sadat, saw six people in Egyptian military uniforms—a major, a lieutenant and four soldiers—fron an artillery unit involved in the assassination attempt.

Cairo radio and television broadcasts of the parade stopped with the attack, though on radio, 45 seconds of gunfire were heard along with screaming voices.

At 6.25 pm (17.25 BST) radio and television began broadcasting verses from the Koran, apparently aimed at preparing the public for an announcement of Sadat's death, which occurred about 2.15 pm (13.15 BST), about two hours after he was hit.

A prelude of plot and purges

From Christopher Walker Jerusalem, Oct 6

Since President Sadat made his historic journey to Jerusalem in 1977, there has been no shortage of opponents in Egypt and elsewhere in the Arab world who would dearly have liked to have seen him dead. In recent months, the growing intensity of opposition to his rule led some critics to liken his position to that of the Shah in the dying days of Iran's Peacock throne.

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Inside Egypt there was no obvious successor with the stature or the determination to carry on successfully with the Camp David peace movement.

International concern about the stability of the President's 11-year regime intensified early last month when he launched a draconian purge of religious and political critics. Some 1,600 Egyptians have been detained.

The clamp-down was regarded as more severe than that imposed after food riots in January, 1977.

Although senior Western diplomats in Cairo voiced concern at the rapid growth of Islamic fundamentalism in Egypt there was a genuine feeling at the time that the President had become over-sensitive to criticism and may have over-reacted.

Observers at one Western embassy warned their government that the main danger of a purge could be the unleashing of disparate opposition elements and a possible driving of critics into more militant, underground opposition.

"Without a proper safety-valve, there is a frightening possibility that opponents of a president may turn to the gun or the bomb," a diplomat said last month.

At the time of the purge—which was quickly followed by a mass expulsion of Russian diplomats and technicians who had allegedly been involved in subversion—the Egyptian press printed a number of well-orchestrated stories about the uncovering of Soviet-inspired plots against the President.

In a number of long speeches broadcast live on television, President Sadat lumped together right and left-wing politicians and accused them of attempting to whip up discontent between Egyptian Christians and Muslim fundamentalists.

He repeatedly outlined the broad details of a comprehensive conspiracy to overthrow him, which most Western observers said could not be proved. The common factor, which united internal and external opponents to the President was the peace treaty with Israel which he had done so much to bring about.

Although there were no signs in Egypt of mass disapproval, elements of the treaty were under constant attack from the left-wing and Muslim right-wingers. Islamic speakers were particularly incensed that any agreement should have been signed which left the Muslim holy places of East Jerusalem under Israeli control.

Among the disparate Camp David critics who were jailed at the early stages of the purge were the journalist Mr Muhammad Heikal and the blind preacher, Shaikh Kishk. Although the clamp-down was followed by sporadic rioting after Friday prayers, heavy



In 1971 President Sadat visited Moscow where he was met by Mr Kosygin (centre) and Mr Brezhnev.



It is 1973: President Sadat and President Gaddafi agree to merge Egypt and Libya into one state.



A quiet word: President Sadat and Mr Yassir Arafat, leader of the PLO, confer in friendlier days.

security prevented widespread street violence.

Opposition among Egyptian intellectuals (including a number of professional associations who refused to have any contact with Israeli counterparts) was matched by a growing isolation in the Arab world. President Sadat repeatedly accused radical Arab leaders, such as Colonel Gaddafi of Libya, of secretly financing opposition to his regime.

President Sadat's failure to secure concessions from Israel over the key issue of Palestinian autonomy ensured that Egypt's prospects were poor for a return to the Arab fold. In Israel, much political credit was given Mr Sadat for his determination in the face of Arab criticism.

Last month, foreign observers, mystified by the extent to which the President appeared to be prepared to tarnish his world image by the purge, speculated that a secret plot might have been uncovered in the 300,000-strong Army. There was also speculation that Muslim right-wingers may have infiltrated the Army and plotted an uprising against the President.

Western intelligence circles in Cairo rejected the speculation. Their investigation showed the President had kept a check on the loyalty of the armed forces, swiftly removing officers suspected of opposing him or the peace with Israel.

The assessment of overall loyalty in the Army was the main reason why Western governments did not display more concern last month about Egyptian instability.

The purge of critics as varied as the Coptic Pope, Shehuda II and Mr Muhammad Helmi Murad, leader of the tiny Socialist Labour Party, reflected the breadth of opposition to President Sadat at home. There was little indication that it had depth. Among the mass of Egypt's 40 million people the President remained a popular father-figure, whose rule was systematically assisted by large subsidies on all basic commodities.

Although Western observers had doubts about last month's referendum, which produced the 99.45 vote supporting the crackdown, none doubted that it reflected general opinion in the country.

The path to peace

Sinai handover is first new test of Camp David

By Richard Owen

"After four wars during thirty years, despite intensive humane efforts, the Middle East—this is the cradle of civilization and the birthplace of three great religions—does not yet enjoy the blessings of peace."

Whatever direction is now taken by new leaders in Cairo, the drive towards peace exemplified by the opening sentences of Camp David seems likely to survive the death of the agreement's main architect.

Although President Sadat's rapprochement with Israel in November 1977 was partly prompted by his need to demonstrate a foreign policy success at a time when he was facing domestic discontent, there can be no doubt that his westernness of perpetual conflict with the Israelis was genuine, and was shared by a majority of Egyptians.

It is often forgotten that the two months' pause passed between President Sadat's visit to Jerusalem and the Camp David summit in September 1978 were fraught with difficulty, and it required a radical Arab government to produce the peace treaty which was finally signed in Washington on 29 March 1979.

The most important, and perhaps the most enduring, aspect of this achievement was that it formally acknowledged for the first time the legitimacy of the state of Israel. The significance for Israelis of the readiness of a powerful Arab country to recognize their right to exist can scarcely be overestimated.

Arab critics of Camp David oppose the treaty precisely on the grounds that it legitimizes the presence in the Middle East of an alien body-occupying land which belongs by right to Palestinian Arabs. For most Israelis, however, and for many Egyptians, the over-riding factor has been relief at being able to begin dismantling long standing barriers of suspicion and fear.

As a bilateral treaty between Egypt and Israel, Camp David was an initial success, not least on the emotional and psychological level. The sight of an Israeli Embassy flag in a Cairo street or of Egyptian tourists in Jerusalem was an electrifying breakthrough.

Two years on, the excitement has died down, and initial expectations have not been exceeded. Trade between Israel and Egypt has failed to develop, partly due to the differing nature of the two economies, and partly due to natural Egyptian wariness of arrangements under which

Israel might provide skill and technology, with Egypt providing mainly labour.

Moreover the Israeli-Egyptian relationship has until now been exemplified by—and to some extent has even depended on—the personal relationship between President Sadat and Mr Begin, the Israeli Prime Minister, to whom the Egyptian leader consistently referred as "my good friend Menachem".

It must now be questionable to what extent the new leadership in Cairo under Mr Mubarak, the vice-president, will be able to establish a rapport of this kind, and even to what extent it will wish to do so.

But to what extent can Camp David survive as a framework for a comprehensive peace in the region? It has not yet fulfilled the hope of the preamble that "the vast human and natural resources of the region can be turned to the pursuits of peace" and that the area might become "a model for co-operation among nations".

The original "Framework for Peace in the Middle East" envisaged moves toward a "resolution of the Palestinian problem in all its aspects", with negotiations involving not only Israel and Egypt but also Jordan and "representatives of Palestinian people".

Jordan however has from the start played no part in the negotiations, and indeed rejects its inclusion in a document to which it was not a party.

Equally, there is no prospect of an agreement on who is entitled to represent the Palestinian people, nor on how they should be chosen. The only organized body claiming to represent the Palestinians, the Palestine Liberation Organization, remains incompatible to the Israelis and the Americans, and possibly, though President Sadat's views were ambiguous on this point—to the Egyptians as well.

The PLO has not in any case shown any willingness to take part in a process which it regards as a betrayal of the Palestinian cause, an attitude shared by a number of more radical Arab governments in plots against the President.

The "Palestinian autonomy" envisaged by Camp David on the West Bank and Gaza Strip after a transitional period "not exceeding five years" has thereupon "self-governing authority" never taken on the semblance of life. Egypt and Israel have been unable to agree on the form the proposed Camp David "self-governing authority" might take, with

Egypt insisting on an elected body with full legislative, judicial and executive functions, while Israel prefers a much less vaunted institution with essentially municipal powers.

Israeli stubbornness and inflexibility on this question has more than anything thrown doubt on the validity of Camp David as a framework for a wider peace. The systematic expansion by the Begin Government of Jewish settlements on the West Bank, in defiance of the spirit of not the letter of Camp David, caused President Sadat grave embarrassment, as did repeated repressive actions by the Israeli military authorities in the occupied territories.

The passing of a law by the Knesset making Jerusalem the "united and indivisible capital" of Israel was a further blow, since although the status of Jerusalem in the Camp David agreement was discussed, it is necessarily bound up with the fate of the Palestinians on the West Bank.

President Sadat's death comes just as the autonomy talks were about to be revived, for the first time since they were broken off in May 1980. Some hope of movement had arisen following proposals by the new Israeli Defence Minister, Ariel Sharon, for a primary civilian administration on the West Bank, with the military authorities there adopting a low profile.

Under the Sharon plan, Palestinian Arabs willing to cooperate with the Israelis would occupy senior positions in a new administrative network, in which "village councils" would play a key role. The fact that this scheme was greeted with alarm by more radical Palestinian leaders—one of whom described it as a "Camp David plot"—suggests that it might be the basis for renewed movement toward autonomy.

On the other hand, the uncertainty following the assassination of President Sadat may well put this in doubt for the time being. It may even put in doubt the transfer by Israel to Egypt of the remaining portion of the Sinai Peninsula, due to take place in April 1982, a move which is already threatened by the opposition of Jewish settlers in North-Eastern Sinai.

The ability of the Begin Government, and the new leadership in Cairo to maintain the timetable for the Sinai handover will be a test of their willingness at least to keep the Camp David process alive, if not to fulfil its original hopes.

Four violent plots that failed

Grim calendar of deaths

President Sadat had been the target of several plots since coming to power in 1970.

On October 12, 1972, according to a Lebanese newspaper, shots were fired near the Al Hussein Mosque in a modern Cairo suburb in an attempt to overthrow the Government. The Egyptian Government denied the incident had occurred.

In April, 1980, an aircraft flying Mr Sadat to the United States was diverted from a stopover in Portugal following rumours that Libyan commandos were waiting there. The aircraft landed instead in Britain. This incident, too, was denied by the Egyptian Government.

On April 30, this year, the Cairo press reported the arrest at Cairo airport of a Palestinian from Gaza, carrying explosives he supposedly was to detonate during a Sadat speech on May 1.

In August, after Mr Sadat had cancelled a visit to Austria without official explanation, Time magazine suggested there had been an assassination plot. But today's shooting is the first public attempt to kill an Egyptian President since a young fanatic fired five shots at Colonel Nasser as he was

addressing a rally in Alexandria in 1954. The plot failed.

Some 40 heads of state and government have died in that way since the Second World War and dozens have survived attempts on their lives.

This year, President Zia ur-Rahman of Bangladesh was shot dead in May, numerous leaders of Iran have met violent deaths and both President Reagan and the Pope have been wounded in assassination attempts.

The Middle East has in recent years seen dozens of assassinations of monarchs, political figures and guerrilla leaders. President Sadat's predecessor, President Nasser, survived an attempt on his life in Alexandria in 1954.

Dec 28, 1948: Mahmoud Nekraschy Pasha, the Egyptian Prime Minister, assassinated in Cairo.

Nov 22, 1963: President Kennedy shot dead in Dallas, Texas.

Sept 6, 1966: Hendrik Verwoerd, the South African Prime Minister, stabbed to death in Cape Town.

April 4, 1968: The Rev Martin Luther King, the American civil rights leader, who won the Nobel Peace Prize in 1964, shot dead in Memphis, Tennessee.

June 5, 1968: Senator Robert Kennedy, brother of President Kennedy, shot dead in Los Angeles.

Dec 20, 1973: Admiral Luis Carrero Blanco, the Spanish Prime Minister, killed by a bomb in Madrid.

March 25, King Faisal of Saudi Arabia shot dead by his nephew. Aug 27, 1980: Earl Mountbatten of Burma killed by a bomb in his boat during a fishing trip in Ireland.

May 30, 1981: President Zia-ur-Rahman of Bangladesh shot dead during an abortive coup attempt.

Aug 25, 1981: President Muhammad Ali Rajat of Iran, and Mohammed Javad-Bahonar, the Prime Minister, killed by a bomb in Tehran—Reuters.



Scene of turmoil after the shooting in Cairo yesterday.



On May 27, 1971, Sadat signed a friendship treaty with the Soviet Union, despite his joining of a pro-Soviet group in the Government. Then dramatically on July 18, 1972, he expelled 17,000 Soviet advisers from

Egypt. It was the prelude to the Yom Kippur war of October 1973. Sadat—seen above at the Suez front—launched a new war with Israel that resulted in the recovery of part of the Sinai. For peace Sadat turned not

to his former allies, the Soviet but the United States. On September 1, 1975, he signed his second United States-sponsored agreement with Israel on the disengagement of the armed forces in the Israeli-occupied

peninsula. On March 15, 1976, he abrogated the Egyptian-Soviet friendship treaty which he had signed five years before.

In October 1976—Sadat became the first Egyptian



president to visit the United States, where he meets Carter. In July 1977—he launched a two-week border war against neighbouring Libya, having declared his intention to fight Soviet penetration in Africa. The

world was stunned by his famous gesture of November 19-21, 1977—when he visited Israeli-occupied Jerusalem and announced he would agree to normal relations with Israel within the framework of an overall Arab-

Israeli peace settlement. In September 1978 (above)—he negotiated with President Carter at the United States presidential retreat at Camp David, Maryland, and with Premier Begin of Israel.

They signed the Camp David agreement, a blueprint for peace in the Middle East. The move evoked the opposition of almost the entire Arab world and resulted in the Arab boycott of Egypt.

Anguish in Israel, hard-line Arabs jubilant

By Our Foreign Staff

The assassination of President Sadat prompted an immediate wave of political and personal anguish throughout Israel today as Jews from every level of society tried to assess its effect on the future of the still-fragile Camp David peace process.

While Mr Menachem Begin, the Prime Minister, summoned senior ministers for an emergency meeting at his Jerusalem home, many ordinary Israeli citizens were expressing grief and deep concern about the implications for peace. Groups could be seen in the streets huddled anxiously around transistor radios.

The extent of the personal sadness and obvious stress caused to Israelis by the brutal murder was evidence of the significance of his personal role in bringing about and maintaining peace. Mr Menachem Begin, the Prime Minister, followed the Cairo drama from his residence, listening to frequent news closely and was expected to make an official statement later.

Mr Menachem Begin, the Prime Minister, followed the Cairo drama from his residence, listening to frequent news closely and was expected to make an official statement later.

proves that those who hate peace still exist," said Mr Yitzhak Rabin, Israeli former Prime Minister. "The incident put the continuation of the peace process under question."

Opponents of Israel's withdrawal from the Sinai peninsula set for April 1982 said the shooting was grounds for freezing the pull-back.

Extreme right-wing Israelis opposed to Camp David were quick to seize on the incident as ammunition for their pressure on the government to refuse the return of the remaining third of the Sinai. But their arguments were sharply rebutted by an Israeli minister.

The campaign to delay Israel's withdrawal has been gaining considerable support in recent months. Tonight there appeared no doubt that it will now receive a new boost as the organization play on widespread Israeli fears about Egyptian policy after April 1982—the target set for the handover.

The Government has failed to decide how to deal with illegal settlers who recently moved back into the Sinai to forestall the handover. Diplomatic observers have noted that although the protesters represent only a minority, fears for the future were widespread even before today's attack.

One Israeli who called immediately for a delay in the withdrawal was Professor Yuval Neeman, the nuclear scientist

who heads the right-wing Tabara party which has three Knesset members all bitterly opposed to Camp David.

Dr Henry Kissinger, former Secretary of State, "He leaves a void that is not easy to describe because it is not easy to imagine the alternative."

Sadat almost single-handedly moved his country from reliance on the Soviet Union to friendship with the United States. Alone among the Arab leaders he was willing to face the prospect of peace with Israel and took the trip to Jerusalem.

"The essence of Sadat in my acquaintance with him was his courage in going to the heart of a problem and to ignore the minor calculations which themselves most statesmen occupy themselves. Therefore it is hard to imagine anyone else playing that role."

"So far as we are losing a major force for moderation in the Middle East... It will require a new look at our Middle East policy and a greater sense of urgency than was the case when we could rely on some local leadership."

"It is not trivial for our national security, to put it mildly. There is no doubt that it will affect our security, Israel's perception of its security, the Saudi perception of its security."

Dr Kissinger thought it extremely probable the Libyans were involved. "They get intelligence reports from the Soviet... We must assume a plot. This cannot be the isolated act of individuals."

Mr James Carter, former United States President, "Mr Sadat had planned to step down as President in a year, he said. 'He talked to me about it.'"

He had chosen Vice-President Mubarak as his successor."

Mr Carter said Mr Sadat had also spoken of the need for the Camp David accords to survive him.

Mr Gerald Ford, Mr Carter's White House predecessor said "Mr Sadat's strong leadership had been essential to the peace process."

Mr Cyrus Vance, Mr Carter's former Secretary of State, "Obviously this is going to strike another blow at the peace process in the Middle East. But there are others in the (Egyptian) Government who are committed to the peace process and I believe... it is possible for it to go forward."

Moscow Radio: "Analysts feel the assassination is connected with the discontent of Egyptians with Sadat's foreign and domestic policies, especially the peace treaty with the Israeli aggressor and military cooperation with the United States."

The Archbishop of Canterbury: "I am deeply distressed at the assassination of President Anwar Sadat. He was more than a brave man; history will uphold him as a martyr for peace. My prayers are with his family and the people of Egypt at this very sad time."

Dr David Owen: "President Sadat took a major step forward in an attempt to achieve reconciliation between Arab and Jew and between Israel and the Arab states."

Mr and Mrs Stanley Middleton, British relatives of Mrs Sadat: "All he wanted was peace in the Middle East. The news has shocked us both."

The attack only served to strengthen Israel's resolve to stand up to the current upheavals in the Middle East, said Senator Giovanni Spadolini, Italian Prime Minister: Expressed profound shock at the horrible and irresponsible act. An eminent statesman had been struck down, and he expressed his Government's solidarity with the Egyptian nation.

President Mitterrand, in a telegram to Mr Mubarak: "He was one of those men who with exceptional courage and intelligence know how to force destiny. The world loses through him one of its best men. All those who condemn violence, always cowardly and despicable, are outraged by this act."

Dr Kurt Waldheim, United Nations Secretary-General: The shooting was "dastardly" and to be condemned "in the strongest possible terms."

Mr Leopoldo Calvo Sotelo, Spanish Prime Minister: The attack worsened the volatile situation in the Middle East. "Uncertainty and apprehension are added to the moral condemnation any attack reserves."

Mr Giscard d'Estaing: "He will remain in history as an example of courage, dignity and loyalty, and also as one of the two few men of peace."

Mr Yasser Arafat, PLO leader: "This operation carried out by the great people of Egypt through its courageous armed forces has proven that the Palestinian cause lives in the soul of this people who could not forgive the one who gave up Jerusalem. Have I not said that the night of Egypt will not be long and that the flood when it comes will take away all the agents and traitors?"

Palestinian and Lebanese leftist militiasmen in Beirut fired shots of joy and Syrians danced in the streets of Damascus chanting "the traitor is dead."

Mr Salah Khalaf, PLO security chief: the PLO would "shake the hand of he who pulled the trigger. We declare to the world that the yellow betting slips have fallen with the onset of spring to put an end to the policy of capitulation today."

Sadat, tomorrow (Sudanese President) Nimeiry.

Iranian State Radio hailed the assassination as the death of a traitor and mercenary. "At the peak of the Islamic movement in Egypt, while French-built Mirage fighters were manoeuvring in the sky to intimidate the muslim people of Egypt, anti-tank units of the Egyptian army shot Sadat."

"Anwar Sadat, the mercenary dictator of Egypt... joined his old friend Muhammad Reza Shah."

Mr Beji Caid Essebsi, the Tunisian Foreign Minister: "I am a muslim. He is a muslim... Even if we do not have the same appreciation of the (Middle East) problem, we pray for him."

Jordan: Official sources who declined to be identified said: "This was expected as a result of President Sadat's separate treaty with Israel in 1979."

Tripoli radio: "Every tyrant has an end. Sadat has fallen with all his shame, giving way to a dawn of freedom on Egypt."

Turmoil hits world markets

By Our Business Staff

The assassination of President Sadat poses at least some question marks over the future security of Middle East oil supplies, despite the present worldwide glut which is intensifying the pressures on Opec producers to agree a new unified price regime.

The Suez Canal represents a vital link between the West's main refining centres and the principal producers in the Gulf. Closure of the Canal in 1967 led to the growth in size of oil tankers when oil companies were forced to reroute their vessels south round the Cape of Good Hope.

The Canal was reopened in June 1976 and since then the volume of traffic has increased steadily with 130 tankers travelling south through the waterway last month with a total tonnage of almost 18 million tons deadweight. During September 1978 tankers laden sailed northward through the Canal with an aggregate tonnage of 4.2 million tons deadweight.

After the widening and deepening undertaken over the past few years, the Canal is able to accommodate tankers of up to 130,000 tons deadweight laden and 300,000 tonnes southward-bound unladen.

An important complement to the oil shipped through the Canal is the Sumed pipeline running from the Red Sea to Sidi Kebir on the Mediterranean through which about 70 million tonnes of oil is channelled every year.

Although the future security of the Canal must now await political developments in Egypt, oil companies do not expect to see any dramatic rush for tanker capacity. Because of the worldwide oil surplus, an estimated 70m-80m tons of tanker capacity is lying idle and any surge in demand precipitated by political changes is likely to absorb only an estimated 20m tons of that surplus.

On the gas oil market in Rotterdam there was no immediate reaction to the shooting, while in Britain, shares in United Kingdom oil companies firmed although some leading oil issues finished below their best. BP was quoted at 302p in late dealings, after 304p, up from 294p the previous night. Shell Transport and Trading stood at 355p, after 360p, up from 344p.

United Kingdom export trade with Egypt has climbed rapidly during the latter years of the Sadat regime, rising 82 per cent in the past four years with last year showing a jump of nearly a third over 1979 (Derek Harris, Commercial Editor, writes).

This made Britain Egypt's fourth largest single supplier especially of telecommunications equipment, construction and earth moving machinery,

scientific instruments and cigarettes.

A wide range of deals completed over the last few months are expected to result in a further trade increase this year.

Britons involved in business and in individual projects in Egypt, including many professional consultants, make up one of the largest expatriate British communities in the Middle East. Tourism from Britain to Egypt has also been growing, especially in the past year.

A number of package holiday companies have been announcing expanded programmes in Egypt this winter and next year.

United Kingdom exports to Egypt last year of £346.7m were nearly matched by Egyptian imports into Britain of £35.6m of which the largest portion was accounted for by petroleum products. There are still some imports from Egypt of cotton and other agricultural products.

The next in what has recently been a regular round of ministerial trade visits between Britain and Egypt is the projected visit to Cairo on November 6 by Mr John Biffen, Secretary of State for Trade who is due to have five days of talks with a team of British businessmen also involved.

Only last week, British Gas won a consultancy contract for the installation of natural gas distribution networks in Cairo and Alexandria. The contract was worth £12.5m but the project could place British engineering companies in the running for some £400m of consequential contracts once work actually starts. William Press has already won a £50m turnkey contract for a gas distribution network in another part of Cairo in which British Gas were the consultants.

Earlier this year, the British Wastewater consortium won initial contracts worth £150m in the greater Cairo sewerage and water treatment system whose contract value could eventually go to around £1,500m. In British Wastewater are Ames Crosta Babcock (a unit of Babcock Contractors), Midland Bank Group, GEC Electrical Projects (part of General Electric Company), Edmund Nutall and Balfour Beatty Construction (part of BICC group).

Preliminary work on the wastewater project was planned to start later this year. Since the Sadat "open door" policy aimed to develop a dynamic private sector in Egypt the number of joint ventures with British companies has been increasing. Various manufacturing sectors have been involved, but there have been other ventures including the launch on the Egyptian market this year of Schweppes soft drinks, produced in Egypt under a franchise agreement.

Negotiations began this year for Egypt's possible purchase of two nuclear power stations from Britain.

Although most of the growing tourist trade from the United Kingdom to Egypt is concentrated in the winter months, with first flights due out early next month, there are a limited number of British tourists already in Egypt on three different tours. Some are in Cairo, others on a Cairo-Luxor tour and more on a Nile cruise.

A spokesman said last night: "So far we have not been able to get through to Cairo because of communications problems. It may not now be possible to get a status report until tomorrow morning."

Cook's will also be asking its representatives in Cairo for an assessment of the situation to decide whether to go ahead with tours due to start this weekend. Around 20 British tourists are due to fly to Egypt on Saturday.

Although Cook's is one of the biggest operators in the Egyptian tourist trade there are a number of other smaller, specialist operators also involved. But the big upsurge in the tourist flow comes next month, with Cook's due to start a series of weekly departures from November 7 and Thomson Holidays planning two tours—one based on Cairo, the other a Nile cruise—with weekly departures from November 4.

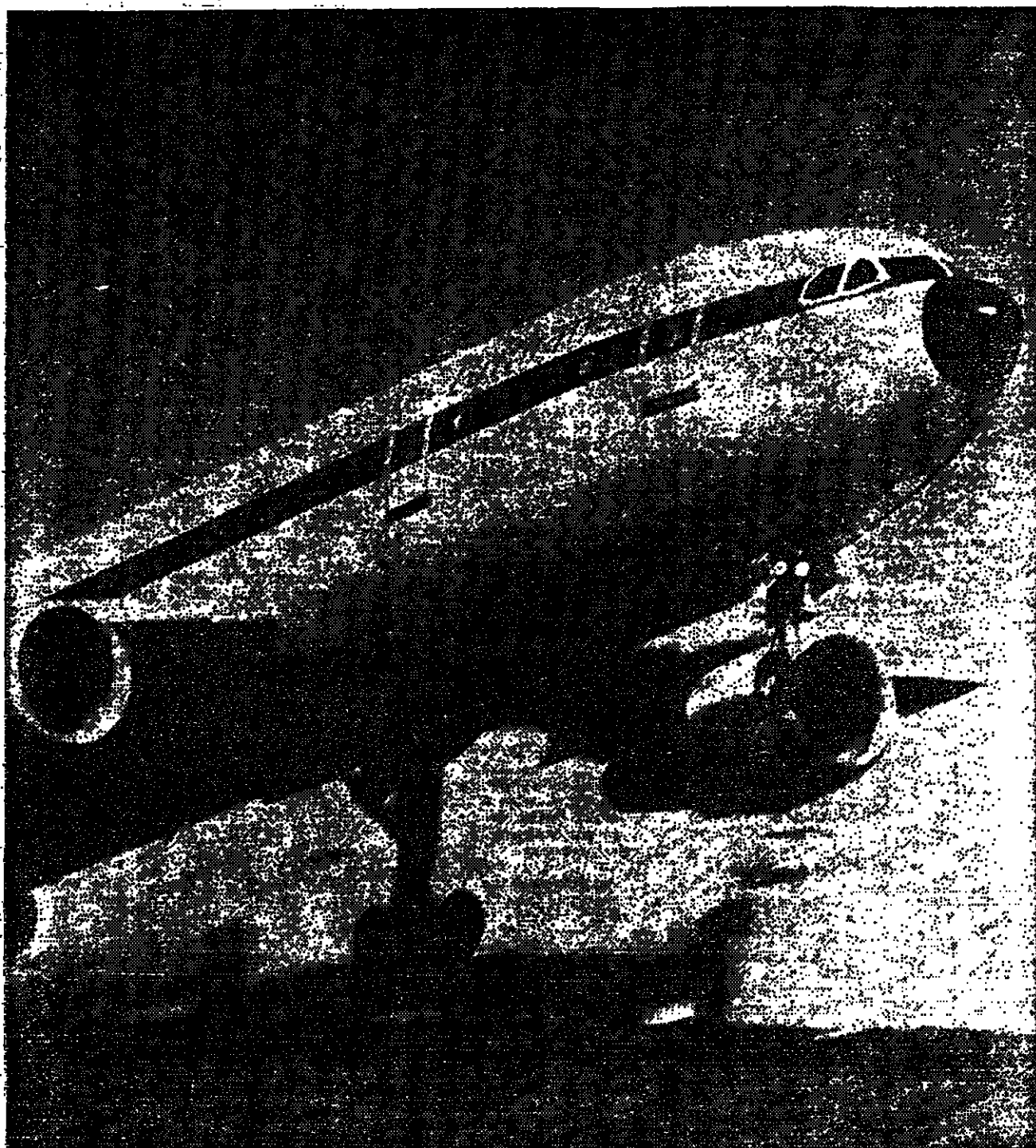
News of President Sadat's death caused chaos in the international financial market, as share prices tumbled and investors scrambled to switch their funds into the dollar and gold, the traditional safe havens at times of world upheaval (Frances Williams writes).

First reports of the shooting led to hectic wave of buying of dollars and gold. Prices subsequently fell back in nervous markets as conflicting reports of the President's condition came and went. But confirmation of his death sent the foreign exchange and bullion markets into a frenzy, with the dollar and gold prices soaring in the space of a few minutes.

Foreign exchange dealers described the reaction as one of pure panic. One London bullion dealer said the New York market had "gone bananas". Prices later subsided somewhat. Gold finished trading in London at \$450 an ounce, up \$7.25 from Monday, after reaching \$458.50 on news of Sadat's death. The dollar, which touched DM 2.29 in response to the news, closed at DM 2.25, up 2.40 pfennigs on the day.

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US criticized in Melbourne over law of sea delay

From David Watts, Melbourne, Oct 6

The leaders of the Commonwealth today put the final touches on their communiqué called for concerted efforts to break down trade barriers and develop energy and sources of food.

But the final stages of drafting were not without last-minute snags. Grenada and the Seychelles delayed and succeeded in watering down those parts referring to Poland, Afghanistan and Cambodia.

The United States came in for extensive criticism from Commonwealth islands and island communities on which much of today's debate centred, for its failure to move faster to conclude the Law of the Sea conference.

The islands are particularly concerned because Washington's delaying tactics are preventing them from exploiting the mineral deposits on the sea beds around them.

Mr Ezekiel Alebu, the Foreign Minister of the Solomon Islands said it was difficult not to see it as the act of a superpower selfishly defending its interests against

the mutual interests of other countries. It is expected that tomorrow's final communiqué will contain a strong call for the resumption of the Law of the Sea negotiations because sea resources, particularly fisheries and minerals, are the key to the economic viability of a large number of the Commonwealth's developing countries.

Mrs Margaret Thatcher gave up her right to address the meeting on economic matters today saying that it was more important to have the views of the smaller countries heard. In notes prepared for her address, Mrs Thatcher emphasized Britain's opposition to protectionism, supported an energy affiliate of the World Bank and looked forward to results from the coming North-South summit at Cancun, Mexico, which would benefit all countries, not some at the expense of others.

Canada and Australia announced schemes to help in the development of agriculture and the sea bed as sources of food.

Rumours fuel doubts on Fraser leadership

From Douglas Aiton, Melbourne, Oct 6

Despite attention focusing on the Commonwealth Heads of Government meeting here there is still trouble within the Australian Liberal Party over the leadership. Such has been the growth of rumours that Mr John Howard, the Treasurer yesterday declared his complete support for Mr Malcolm Fraser as Prime Minister.

There are two main reasons for speculation that Mr Fraser might lose the leadership: his health continues to be the subject of considerable debate, and Mr Andrew Peacock, the former Foreign Minister, seems to be quietly planning a campaign but is perhaps waiting for the right moment. Mr Peacock signed last April saying that he could no longer work with Mr Fraser.

Mr Fraser's health has become a serious matter because not only has he been forced to take time off recently, but he simply does not look well. It has become a popular exercise for newspapers to publish pictures of him six years ago when he became Prime Minister alongside more recent pictures. He has aged considerably.

The irony is that at a time when Mr Fraser is struggling across some of his finest

moments on the international stage he looks unwell, and his grasp on the leadership has never been so shaky.

It is a further irony that he has won two elections with record majorities and the third extremely comfortably, making him the most successful election winner in Australian history. Yet there is now talk of him losing office.

One of the reasons for this is that Mr Fraser has never been a popular figure within the Liberal Party and has made many enemies. But most of his colleagues recognize his remarkable ability to win elections handsomely, and doubt that anyone else can do so with the possible exception of Mr Peacock.

Mr Fraser has suffered twice from pneumonia since he became Prime Minister and had to take three weeks off just before the Commonwealth meeting because of an infection.

Meanwhile, Mr Peacock is still busy making speeches around the country and affecting surprise when asked if he intends to stand for the leadership.

Mr Howard found it necessary to add to his support for Mr Fraser a specific denial of a suggestion that he would join Mr Peacock in a leadership challenge.

PLEDGE OF ELECTIONS IN GRENADA

From Our Own Correspondent, Melbourne, Oct 6

Grenada may have its first elections since the revolution next year, according to Mr Maurice Bishop, the Prime Minister, who told a press conference that elections scheduled for 1982 would be held after public approval of a new constitution. The Prime Minister said, he could not give an exact date for the polls but that "certain processes have been set in motion".

Mr Bishop said that the problems of the Caribbean countries could be seen with a greater degree of clarity since the victory of President Reagan, and an unprecedented convergence of right-wing opinion in the United States.

It was not only poor countries in the Third World which were threatened, but allies of the United States in Europe. He cited what he called attempts by the United States to dictate which ministers must join the French Cabinet.

The depth of United States' hostility could be judged by the fact that in military manoeuvres last August American forces had staged a simulated invasion of Grenada by flying forces from California to an island off Puerto Rico.

Further, the Admiral in command of the exercise had indicated that the target country was a small Caribbean island with an army of about 2,000. The American estimate of the size of his island's armed forces.

KEKKONEN SICK LEAVE EXTENDED

Helsinki, Oct 6. — President Urho Kekkonen's medical leave was extended today until November 10. (Our Correspondent writes).

His sick leave, which began on September 11, was due to end on October 10. It is clear that President Kekkonen, who is 81, is permanently unable to resume his duties. He suffers from brain disorders.

The extension was also needed to give political parties more time to prepare for presidential elections and to avoid a poll in the middle of the Christmas season.

Saudis let Israel retrieve missile boat

From Moshe Brilliant, Tel Aviv, Oct 6

The Israeli Government confirmed today that one of its missile boats ran aground on the Saudi Arabian coast early on September 24 and was retrieved 62 hours later without interference from Saudi armed forces.

Saudi and Israeli troops in the area surrounding the 11-mile wide Gulf of Aqaba were strengthened but there was no confrontation. Mr Ariel Sharon, the Israeli Defence Minister, told the Saudis through the United States embassy in Tel Aviv and Riyadh that the vessel had accidentally struck a sandbank.

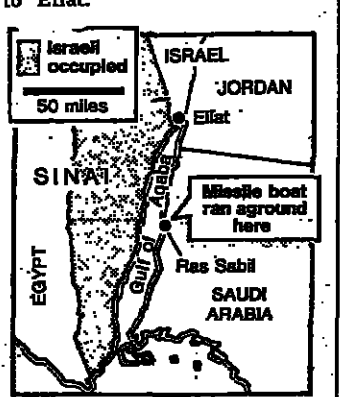
Accredited Israeli military correspondents received details of the incident from Mr Sharon but were not permitted to publish the details. A spokesman of the Israeli press said today the Saudis had requested that their response should be kept confidential so as not to embarrass them in the Arab world. The chief censor said today the ban had been solely on security grounds and that the reason was "obvious".

The ban was lifted after the story broke last night in the United States. The Israeli media accused American officials of leaking the report as part of a campaign to depict the Saudis as reasonable during the current dispute over the proposed sale of American A-7A radar aircraft to Riyadh.

The missile boat had been on its way to Eilat, the Israeli port at the head of the Gulf of Aqaba, from Haifa. It had passed through the Straits of Tiran and was halfway up the gulf of Aqaba in the darkness when it lost direction and speed.

The accident was provisionally attributed to malfunctioning of the electronic system which affected the radar and directional finding equipment.

Gabriel missile launchers and other heavy equipment were unloaded to lighten the vessel. Coral divers began the rescue operation but tugboats and naval craft towed the ship to deeper waters and then to Eilat.



CHINA VETO HITS INDIA

From Our Correspondent, Delhi, Oct 6

A delegation of international experts begin consultations here this week to prepare for an environmental treaty covering Eastern Africa and the eastern Indian Ocean area. It is hoped that by 1983, a plan will be adopted for this area on lines similar to those concluded for the Gulf, the Mediterranean, the Gulf of Guinea and other areas.

Dr Stjepan Kekes, the Director of the United Nations environment programme, who is accompanying the seven-member mission, said the team would visit all the states in the area, from Somalia to Madagascar and Mozambique. A meeting of representatives of all these countries would be held in Nairobi for anti-pollution and other measures would be drawn up.

Dr Kekes said soil carried by some African rivers was polluting the ocean and there are places where untreated sewage is discharged into the sea. Oil pollution from passing tankers is not the most serious issue here, he said, but it will be taken into account.

The family planning forum's delegation has 23 members, mostly from both Houses of Parliament. They are to study Chinese methods of family planning.

Mauroy puts left-wing nuclear rebels to test

From Charles Hargrove, Paris, Oct 6

The ambitious nuclear programme of the Giscard regime has caused an immense amount of controversy within the Socialist Government.

In an effort to make rebels toe the line on the Government's energy programme, Mr Pierre Mauroy, the Prime Minister, will make its adoption a matter of confidence at the end of the two-day debate on the subject.

This means that the Government's programme will be carried without a voteless if it is defeated by a motion of censure.

The procedure allows the Socialist deputies to vent their ecological and environmental objections while bowing to the inevitable.

It also enables Mr Mauroy, without damage to his programme, to keep the promise he made when he took office, that the Socialist Government would not resort to what it regards as the detestable practices of its predecessors, and was respectful of parliamentary opinion.

The Giscardian opposition has, however, called on the Assembly to censure the Government, not on its nuclear programme, but on the 1982 budget deficit, increased taxation and nationalizations.

It is hoped to be lost, but is part of the harshest tactics it is determined to keep up against the increasing socialization of French society.

When the debate opened, the ecological rearguard in the Socialist Party could derive only



Mr Bob Astles, the British-born aide of Idi Amin, the former Ugandan leader, being escorted to Kampala High Court on Monday, for what was to have been the start of his trial for murder. The hearing was adjourned for a week.

Solidarity shows anti-party bias

From Dossa Trevisan and Denis Taylor, Gdansk, Oct 6

Elections to the national coordinating commission of Solidarity, the independent trade union, are showing a strong bias against members and former members of the Polish Communist Party.

Nothing is ever simple and clear-cut in present-day Poland and the results can be drawn from the results. There have been some surprising defeats of well-known activists and victories of hitherto unknown personalities representing conflicting currents.

The bias against past and present members of the party contrasts with the fact that some of them have enjoyed complete trust in their regions.

A conspicuous figure who failed to be elected is Mr Ryszard Sewicki from the mining area of Silesia. The only party member still in the running after the second ballot was Mr Bogdan Lis, the leading Solidarity activist from Gdansk.

Another trend has been that against people acting as experts and advisers to the union, the union's defeat being the defeat of Professor Bronislaw Geremek and Mr Ryszard Bugaj. Both are moderates who have exerted a strong influence, especially in drafting the union's programme.

A third current is that against people directly identified with the dissident KOR group. Thus Mr Boguslaw Sonik, who read the resolution on the dissolution of KOR was not elected. But three KOR activists, Mr Andrzej Gwiazda, Mr Henryk Wujec and Mr Karol Modzelewski were chosen.

Like the Communist party congress in July, Solidarity's first national congress, now in the eleventh day of its second stage, has done little to answer the immense problems facing Poland. With no clear agenda, and with days of debating time lost through the delegates' intense preoccupation with the sudden announcement last Saturday of steep increases in cigarette prices, the congress has lost any semblance of coherence.

The Government's timing is regarded here as a provocation and an attempt to sidetrack the real issues. But it has hardened the tone of the congress and given new arguments to the radicals.

At the same time, the insistence on an exhaustive examination of detailed points, and healthy suspicion of manipulation, have revealed a level of democratic awareness striking in a society where for more than 30 years the only

political model has been the Communist system. They have shown political sense in reelecting Mr Lech Walesa as the union's chairman, despite the dominant radical mood of the congress. But having done so they have curbed his powers and the authorities, who were hoping that his election meant the reinforcing of the centre, may now find themselves negotiating with a tougher partner.

Mr Walesa's hold on Solidarity is no longer what it was before the congress. The militants have been laying at his door the disappointment of the rank and file over the compromise agreements reached with the Government.

Given his personal popularity in the country, his leadership remains indispensable, but the congress, which is now setting up a new executive, has set limits to his authority.

Official anxiety over the way the congress is developing is reflected in the party newspaper *Trybuna Ludu* today. It held that the Solidarity leadership failed to draw the necessary lessons from the first stage of the congress. This was therefore giving rise to disquiet and "sincere concern for the future development of political relations in the country".

Talks begin on Africa ocean pact

From Our Correspondent, Nairobi, Oct 6

A group of international experts begin consultations here this week to prepare for an environmental treaty covering Eastern Africa and the eastern Indian Ocean area. It is hoped that by 1983, a plan will be adopted for this area on lines similar to those concluded for the Gulf, the Mediterranean, the Gulf of Guinea and other areas.

Dr Stjepan Kekes, the Director of the United Nations environment programme, who is accompanying the seven-member mission, said the team would visit all the states in the area, from Somalia to Madagascar and Mozambique. A meeting of representatives of all these countries would be held in Nairobi for anti-pollution and other measures would be drawn up.

Dr Kekes said soil carried by some African rivers was polluting the ocean and there are places where untreated sewage is discharged into the sea. Oil pollution from passing tankers is not the most serious issue here, he said, but it will be taken into account.

The family planning forum's delegation has 23 members, mostly from both Houses of Parliament. They are to study Chinese methods of family planning.

Norway's future Cabinet get to know each other

From John Ausland, Oslo, Oct 6

The group of people who will soon govern Norway met to get to know each other for the first time today.

Since the Labour Government headed by Mrs Gro Harlem Brundtland will continue to govern until October 12, the meeting of Mr Kaare Willoch and his future cabinet was mainly an opportunity for those who did not know each other to get acquainted.

Mr Willoch's task of forming a government has been complicated as he could draw only on his own Conservative Party. His efforts to form a coalition government with the Christian Peoples Party and the Centre Party (Farmers) failed.

Had the Norwegian system not permitted him to go outside the Storting (Parliament) in his search for ministers, he would have found difficulty in forming a government.

The first of the future cabinet will be held by Mr Rolf

Prestrhus, aged 45, a lawyer and deputy chairman of the finance committee in the last Parliament.

The Foreign Minister will be Mr Svein Stray, aged 59, who held the post for a brief time in 1970 and 1971. There has been some criticism of this appointment, on the grounds that Mr Stray's previous performance was lacklustre.

The appointment of Mr Vidkun Quisling, aged 60, as Oil and Energy Minister, created a mild sensation. Mr Quisling was director of the Norwegian water power and electricity board until 1975, when he resigned in protest against the Labour Government's energy policy.

The appointment of Mr Anders Slagstad, aged 38, as Defence Minister, is the real surprise. After narrowly failing to be elected in September 1978, he has been catapulted into the Cabinet.

Danes battle for jobs

From Christopher Follet, Copenhagen, Oct 6

Mr Anker Jorgensen, the Danish Prime Minister, opening a new session of the Folketing (parliament) today outlined a programme of legislation, dominated by measures to combat unemployment, now approaching a record post-war figure of 9 per cent.

Emphasising the need for investments in new jobs, particularly for youth, Mr Jorgensen said that his Social Democratic minority Government was still looking at the introduction of a scheme to generate cheap capital for industry and agriculture.

Disagreement between the Government and its three coalition support parties over a plan to levy a 40 per cent tax

on the interest earned by pension funds and insurance companies has led to a certain amount of speculation about elections being called this autumn, two years before the Government's four-year term expires.

While expressing concern about Denmark's record state deficit of 40,000 kroner (£3,000), Mr Jorgensen, bolstered by predictions of a recovery for the Danish economy next year, did not introduce fresh economic measures or tax increases.

Other legislation announced included increases in state taxation of revenues earned by companies from Denmark's North Sea oil and gas fields.

Thailand policy on Vietnam

From Neil Kelly, Bangkok, Oct 6

Opposition is growing among politicians and the army in Thailand to the Government's policy of confrontation with Vietnam over Cambodia.

The critics complain that it is time for Thailand to show a readiness to compromise in its dealings with the Hanoi Government.

Views of General Kriangsak Chomanan, a former Prime Minister, are typical of the new thinking. "All parties involved in the Cambodian problem, the Western world, the Communist world, the Third World, should come together to talk," he says. "A negotiated settlement is possible. Confrontation is wrong and increases distrust".

The General pressed this idea at a recent parliamentary election which he won with an overwhelming majority.

Many influential Thais hold the view that their Government is obstinate in refusing direct talks with Vietnam and by insisting that negotiations on Cambodia must take the form of an international conference involving 20 or more governments.

Mr Bichai Rattakul, a former Foreign Minister favours a small conference of the three Indochinese states and members of the Association of South-East Asian Nations (Asean). That is what Vietnam wants too.

"The threat to Thailand will die out when Vietnam pulls its troops out of Cambodia," says Mr Bichai. "I believe Vietnam will do that. I believe it stops helping the Khmer Rouge and other anti-Vietnamese resistance groups".

These views are shared by some senior army officers, including many of those involved in last April's abortive coup against the Thaksin Government. It was clear then that a new approach to Vietnam had a great deal of public support.

A recent Bangkok seminar attended by Thai academics and a senior official of the Hanoi Government, urged the Thai Government to rethink its Cambodian policy.

The conference condemned "the futility of the free world's military-orientated approach" to the Cambodian problem as well as the Washington-Peking strategy of giving Vietnam down with relentless economic and political pressure.

Policy reappraisals elsewhere in Asean and in Japan have influenced Thai thinking. Suspicions about China's long-term intentions are being voiced throughout South-East Asia. Reports that Peking is urging Thailand to permit Cambodian resistance groups to establish a military headquarters on Thai territory cause particular alarm.

Bangkok: Vietnam today accused the United States of spraying more than 100,000 tonnes of toxic chemicals on southern Vietnam during the Indo-China war.

The Vietnam News Agency monitored here, said the chemicals stripped more than two million hectares of forest. —AP.

Two Namibias proposed for blacks and whites

From Michael Hornsby, Johannesburg, Oct 6

A leading white politician in Namibia today called for the territory to be divided into two separate constitutional entities, one run by whites and the other by blacks, which could be linked later in a confederation.

The proposal was made by Mr Koste Pretorius, the leader of the National Party, which enjoys the support of the majority of Namibia's whites (mainly Afrikaners), who account for only 11.3 per cent of the territory's total population.

Mr Pretorius offered his scheme as a viable national alternative to the proposals currently being put out by the Western powers for an internationally acceptable settlement in Namibia, which he maintained, could lead to chaos.

We are opposed in principle to the idea of a one-man, one-vote government on the basis of universal franchise," he declared, adding that United Nations Resolution 435, which provides for such elections, had already begun to be modified.

It could no longer be considered a basis for Namibia's independence. Under Mr Pretorius's scheme, the core of the black constitutional unit would be the lands in the northern part of Namibia occupied by the Ovambo, who account for 46.7 per cent of

IN BRIEF

Dutch aircraft crashes: 17 die

Amsterdam. — All 17 people on board a Dutch aircraft were killed when it crashed south of Rotterdam yesterday.

A spokesman from KLM Royal Dutch Airlines said the cause of the crash was not yet known but eyewitnesses said the aircraft exploded in mid-air after being struck by lightning.

More air traffic men needed

Washington. — The Federal Aviation Authority has asked for another 400 military air controllers to help replace members of the Professional Air Traffic Control Organization who were dismissed two months ago for taking part in an illegal strike.

This request would bring to 1,200 the total number of controllers seconded to the FAA from the armed services. Nearly 12,000 out of a total of 17,000 controllers were sacked.

Cleaned out

Johannesburg. — A thief took \$21.4m (12m) in negotiable securities from the back of a messenger's motor cycle. The cleaning shop on his way to the bank.

Police kill 10

Delhi. — All 10 members of a gang responsible for more than 50 killings were shot dead in gun battles with police in the north-eastern Indian state of Bihar.

Manager defects

Klagenfurt. — The trainer of the Romanian national boxing team, Mr Karol Menceal, aged 40, has applied for political asylum in Austria.

Satellites up

Vandenberg Air Force Base, California. — A Delta rocket carried two satellites into orbit for tests of chemicals in the atmosphere and radio waves in space.

Money bag

Bologna. — A man found a bag with 35m lire, (about £18,000) on the roof of a house on Sunday and turned it over to police.

Cholera deaths

Johannesburg. — Four people have died and 200 are in hospital in a cholera epidemic in the black South African homeland of Bophuthatwana.

Prisoners escape

Vicent Corrajan, aged 24, who was serving a nine-month sentence for attempted robbery and Andrew Thorpe, aged 21, serving 12 months for burglary, escaped from Northeye Prison, East Sussex, yesterday by cutting through a perimeter fence while gardening.

Raiders smash eggs

Intruders smashed 20,000 eggs when they broke into a packing station at Taunton yesterday. They tramped over trays of eggs and also threw them at walls, ceilings and machinery.

RESTRAINTS ON NEWS CHALLENGED

From Our Own Correspondent, Melbourne, Oct 6

Restraint on the freedom to report news is the great danger facing journalists worldwide, Mr David Chipp, editor-in-chief of the Press Association, said today.

"The attack is insidious and slow and is often justified by what are superficially very worthy motives. Our vigilance must be continuous, our suspicion constant and our opposition to incursions resolute," he told the annual meeting of the Commonwealth Press Union here.

Making a plea for straight news-reporting by newspapers and news agencies he said that "to add comment and interpretation to reports of the news is their complete and not a dangerous delusion that it strengthened the story but it weakened the journalist's credibility."

Korchnoi insults Karpov

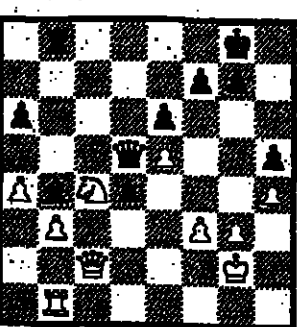
Merano, Italy, Oct 6. — When the Soviet Grandmaster Viktor Korchnoi forced his opponent, Anatoly Karpov, the Soviet world champion, to concede a draw in the third game of their world chess championship, he not only broke their agreement never to speak directly to each other, he also used the most derogatory Soviet form of address: "Citizen".

It occurred in the thirty-ninth move when Korchnoi's opponent, playing black, suddenly addressed him in Russian, saying: "I propose a draw".

Since the two politically estranged players had arranged that no words should pass between them except through the umpire, Karpov's remark took Korchnoi by surprise. Korchnoi turned pale, got to his feet, and began striding up and down the platform. Finally he went up to Karpov and said stolidly: "Citizen, you should speak to the umpire". The term "citizen" in

Soviet Russian usage is a form of address employed only with those who have forfeited the right to be addressed as "comrade" — defendants in court, convicted prisoners, and so on. Its use, therefore, amounted to an open insult.

Apparently it was also a firm rejection of what might have been taken as a move by Karpov to break the ice between them — a state of bitter hostility dating from their stormy world championship in the Philippines in 1978, when Karpov won 6-5 after 21 draws. —AP.



Third game			
White		Korchnoi, Black Karpov.	
Queen's Gambit declined			
1	P-QB4	P-K3	
2	P-QB3	P-Q4	
3	P-Q4	B-K2	
4	P-KB3	P-KB3	
5	B-K15	P-KR3	
6	B-B4	O-O	
7	F-K3	P-OKB	
8	B-B1	B-K12	
9	B-B2	P-P2	
10	B-B3	OK1-Q2	
11	O-O	P-B4	
12	Q-K2	P-R3	
13	P-OR4	K-R5	
14	B-K1	B-K1	
15	B-K18	O-B1	
16	P-P2	P-P2	
17	K-Q2	B-B3	
18	B-B1	B-B1	

You have only one life to insure. How should you choose the right company to insure it?

Before you insure your life, there's something else you really ought to ensure. For your own peace of mind, you should make certain that the insurance company you deal with is a member of one of the recognised life insurance trade associations such as The Life Offices' Association or Associated Scottish Life Offices.

Their members account for about 90% of all ordinary life insurance business written in the United Kingdom.

When you deal with one of these companies you can rest assured that your interests are safeguarded in two important ways.

1. All members of the Associations subscribe to a Code of Selling Practice designed to protect the interests of the consumer.

The Code demands for instance that whenever a representative approaches you he makes it clear that the purpose of the meeting is to discuss life insurance. That all your dealings are treated in complete confidence. That when you take out a life policy the benefits and conditions are explained fully. And that you are not encouraged to commit yourself to premiums which you cannot afford.

2. All members of the Associations have agreed to limits on the rates of commission that may be paid to independent advisers; so you can be confident that where commission is to be paid it will not be an influencing factor in recommending a particular member company.

It's worth remembering that life insurance is probably the biggest purchase you'll ever make apart from your home.

So it's important that you get it right.

If you would like a copy of the Code of Selling Practice, or information about the booklets and educational material produced by the Associations, please write to:-

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Avon Insurance Company Ltd	National Mutual Life Assurance Society
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Black Horse Life Assurance Company Ltd	Norwich Union Life Insurance Society
Britannic Assurance Company Ltd	NRG London Reinsurance Company Ltd
British and European Reinsurance Company Ltd	Pearl Assurance Company Ltd
Canada Life Assurance Company	Phoenix Assurance Company Ltd
Cannon Assurance Ltd	Pioneer Mutual Insurance Company Ltd
Clerical, Medical and General Life Assurance Society	Property Growth Assurance Company Ltd
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Commercial Union Assurance Company Ltd	Provident Mutual Life Assurance Association
Confederation Life Insurance Company	Prudential Assurance Company Ltd
Co-operative Insurance Society Ltd	Refuge Assurance Company Ltd
Crusader Insurance Company Ltd	Royal Insurance Company Ltd
Eagle Star Insurance Company Ltd	Royal London Mutual Insurance Society Ltd
Ecclesiastical Insurance Office Ltd	Royal National Pension Fund for Nurses
Economic Insurance Company Ltd	Save & Prosper Insurance Ltd
Equitable Life Assurance Society	Scottish Amicable Life Assurance Society
Federation Mutual Insurance Ltd	Scottish Equitable Life Assurance Society
Friends' Provident Life Office	Scottish Life Assurance Company
FS Assurance Ltd	Scottish Mutual Assurance Society
Gresham Life Assurance Society Ltd	Scottish Provident Institution
Guardian Royal Exchange Assurance Ltd	Scottish Widows' Fund and Life Assurance Society
Hambro Life Assurance Ltd	Standard Life Assurance Company
Hill Samuel Life Assurance Ltd	Sun Alliance and London Assurance Company Ltd
Hodge Life Assurance Company Ltd	Sun Life Assurance Company of Canada
Ideal Insurance Company Ltd	Sun Life Assurance Society Ltd
Imperial Life Assurance Company of Canada	Swiss Life Insurance and Pension Company
Independent Order of Foresters (United Kingdom)	Swiss Reinsurance Company (UK) Ltd
Langham Life Assurance Company Ltd	Teachers' Assurance Company Ltd
Legal and General Assurance Society Ltd	TSB Trust Company Ltd
Life Association of Scotland Ltd	Tyndall Assurance Ltd
London and Manchester Assurance Company Ltd	United Friendly Insurance Company Ltd
London Life Association Ltd	UK Provident
M & G Trust (Assurance) Ltd	University Life Assurance Society
Manufacturers Life Insurance Company	Vanbrugh Life Assurance Ltd
Medical Sickness Group	Victory Insurance Company Ltd
Mercantile and General Reinsurance Company Ltd	Wesleyan and General Assurance Society
Munich Reinsurance Company	Western Australian Insurance Company Ltd
Mutual Life and Citizens' Assurance Company Ltd (of Australia)	Yorkshire General Life Assurance Company Ltd
NALGO Insurance Association Ltd	Zurich Life Assurance Company Ltd



Complete rethink of Tory economic policy demanded by Heath

The following is the circulated partial text of Mr. Edward Heath's speech to the Federation of Conservative Students in Manchester, parts of which were not delivered:

It is imperative in our present economic circumstances that both national and international, that we should make a completely fresh assessment of Conservative economic policy. This is necessary not only in the interests of our country, about which we must all be deeply concerned, but also in the interests of the Conservative Party for which some of us have worked throughout our political lives. Many of us have remained almost silent for a long time on these matters, perhaps for far too long, in order that the dire consequences of the present economic policies could be more widely recognized. We were hoping that they would bring about a more pragmatic approach to economic affairs, greater flexibility in handling and a wider use of all the available techniques of economic management. Together these would have produced a better balance in the economy as well as in our society.

Recent events, however, have shown that this is not to be. The reversal of the downward trend in interest rates, the

subsequent four points rise with the prospect of yet more to come, the still further increase in unemployment and the numbers of liquidations which are bound to follow, the rise in mortgage rates together with the hardship and personal bankruptcies associated with them, all indicate that the situation is getting worse, not better, and that the economic policy is becoming more dogmatic not less so. In the political sphere, the Government reshuffle only confirms what is economically obvious. A fresh assessment can no longer be delayed. The time has come to speak clearly. Britain is now locked in a vicious circle of spiralling interest rates. We are bound to the killing treadmill of their consequences. It is this vicious circle we must break.

The net result of completing the vicious circle is that prices have increased, the rate of inflation has gone up, the money supply has increased, unemployment has gone up, the rate of bankruptcies has increased, the industrial base has been further eroded, the Government's borrowing requirement has increased and as a result there is more pressure to raise interest rates yet again, to be followed inevitably by the same vicious circle. It is this vicious circle which must be broken. The Government has made one attempt at doing so. It has proved unsuccessful because of the competitive race internationally for higher interest rates. The Government has tried to manage the economy solely by the use of interest rates combined with attempts to limit government expenditure. A further attempt is about to be made to run the economy in this way, although contrary to these dogmas the Government has now been forced to intervene in the exchange market and to formulate an incomes policy for the public sector.

The consequences are a loss of confidence in general and timidity in salesmanship in particular. Both are bound to damage our economic prospects. The recent severe fall in the level of Sterling value, it is calculated, adds some 3 per cent to our rate of inflation through the higher cost of our imports of food and raw materials. Can anyone now doubt the need to make a complete reassessment of British and European policy? Yet many commentators and politicians are reluctant to embark on this, either because they became hooked at an earlier stage on a simple policy of so-called pure monetarism, from which they cannot release themselves, or because they gave foolish promises to make major increases in defence expenditure, to encourage each to produce a balanced budget all at the same time. Others cry that the only alternative is unrestrained socialism. All these groups have been influenced by their ignorance of the history of the last 50 years and by their acceptance of the pernicious myths spread about the 25 years from 1950 to 1975. These were assiduously spread by those naively believing that there is a simple formula that will somehow defeat inflation, create jobs and restore expansion. They do so in ignorance of the fact that inflation in the middle 1970s was begun by the massive and rapid increase in world commodity prices, which for Britain amounted to nearly 200 per

cent, and by the 400 per cent increase in oil prices imposed in the autumn of 1973. None of the doctrinaire monetarists has ever attempted to explain how inflation caused by a rise in external commodity prices on this scale can be dealt with purely by internal monetary policies. Nor do they explain how a further increase in the price of oil, or a further world economic expansion will be dealt with by these means alone.

When we look at the world economic situation we find it equally alarming. The present American Administration is endeavouring to run its own economy on a similar monetarist policy. It is doing so regardless of its impact on Europe or on the rest of the world. Its high interest rates are leading a competitive race which is not only to Britain but also to the rest of the world. The United States itself has a long-term interest in carrying out such an operation jointly with the Community in case the dollar again collapses. It would be best if this were done in unison. We cannot do it alone. That is what the European Community is all about. If the Community cannot reach agreement on this we ourselves must use our well tried and oft proven system on our own.

The measures I have outlined would involve major, indeed, dramatic changes in policy. This would bring about basic changes in the position both of ourselves and of the rest of Europe. To the fearful I would say that the only alternative is to drag on in the mire of ever deepening recession. The reduction in interest rates could be the first stage of turning the vicious circle into a virtuous one. By the effects on the cost of servicing government debt, by the increase in government revenue, by the consequent upon increased economic activity, and by lightening the burden on industry and small businesses, the scene could be set for increased investment, reduced corporate taxation and more jobs.

The effect of reduced interest rates would clearly be to improve corporate finance and profits. This is an essential precondition of economic recovery. This process could be assisted by the reduction and final abolition of the Insurance Surcharge (NIS).

The surcharge is a tax on employment and on production. Its reduction and abolition would have the advantage of reducing the costs of goods produced for export, thus reducing the price of imported goods. It would therefore also assist manufacturers producing for the home market. While the surcharge is expected to raise £3.8bn this financial year, much of which is paid by the public sector, its abolition would not cost as much as that. It would be in part offset by the reduction in payments of unemployment benefit and by the increase in income tax revenue.

It is not enough, however, just to make it easier for firms to invest. While abolition of the NIS will encourage exports and produce a shift towards home production, further measures will be needed to provide sustainable demand at home and overseas.

As far as British industry is concerned, there is a substantial and continuing reluctance to become involved with new investment and with research and development until an available market is clearly seen. This is one of the lessons of the past 35 years which we have to learn. It is not enough, therefore, just to provide a more efficient 'supply side' of the economy. The demand side also has an important part to play. This can be assisted by a government by means of selective capital investment, the need for which is all too plainly obvious, some of it for productive purposes, some for the improvement of social conditions and the environment. The Government should be particularly for capital goods, can come from the developing world, either from Opec countries with surpluses or from investment by the international institutions supplied with funds by the surplus holding countries. It is here that the Community has a role to play. It is a shortsighted measure to deter overseas students from coming to this country when they would otherwise be trained on British equipment and become ambassadors for it in their own countries.

Similarly it is shortsighted to limit the provision of ex-

perience to the developing world when so much of it could be later reflected in orders for British equipment. Britain cannot possibly pull herself out of this recession on her own. She needs the trade which comes from an effective demand in the developing world.

On every occasion since the war when Britain has been facing a recovery three major problems have emerged. First, the demand for raw materials for our industrial processes has risen in an increase in imports, which has brought about a deficit on our balance of payments before the manufactured products, especially capital goods, could be exported. This has led to a weakness in Sterling. For the first time since the war, however, our position is stronger. The cause of the effect of North Sea oil on our balance of payments. It can be made stronger still by membership of the EMS and the joint resources which support it.

Secondly, because of the overvalued level of our currency we have been prone to overvalue imports of consumer goods. This position should be changed with our currency in the EMS at a satisfactory level. But neither of these problems have been as deep-seated as the third, namely the shortage of skilled manpower with which to carry through our industrial recovery.

The moral is clear. What this nation requires is a massive training and retraining programme, not just in order to alleviate the impact of unemployment on young people but to provide a sound basis for the expansion of industry and services in the future. At present we lack both an effective system and the resources such as those possessed by our major industrial competitors. It is essential that the Government should advance speedily in this respect over a broad front.

Progress in these policies can only be brought about by a sensible degree of consensus exists within our country. I have heard some doubt expressed as to what consensus means. Let this doubt continue let me endeavour to describe it. Consensus means deliberation, striving to achieve the widest common measure of agreement about our national policies, in this particular case, about our economic activities, in the pursuit of a better standard of living for our people and a happier and more prosperous country. If there be any doubt about the desirability of working towards such a consensus let us recognize that every successful industrialized country in the world has achieved the highest position in this respect, Germany closely follows, and among the smaller countries, Austria is foremost. Sweden, despite changes of government, adheres to its consensus in financial and industrial affairs. France's success over the last 30 years has been based on a commonly accepted programme which has enabled it to overtake the United Kingdom and advance rapidly on Germany.

How dare those who run the biggest budget deficit in history reproach others with the heinous crime of printing money?

Consensus is not created by signed agreements or solemn undertakings. It is created by a continuing process of consultation and discussion in which government demonstrates its determination to tackle the problems which cause tension within society among their unhealed wounds, its day, racial discrimination.

No one will ever convince the exponents of the singular doctrine of monetarism that it is now inadequate. The answer will always be that it has not been tried hard enough or long enough, that interest rates not go high enough or that government spending was not cut savagely enough or that the action should have been taken more quickly to produce a more rapid recovery.

What the businessman and trade unionist, the ordinary citizen and his family are now rapidly realizing is that if such a policy requires to be perpetuated for an even longer period and even more stringent measures such as are proposed at the moment are as individuals and as a community they are being asked to pay too high a price to be acceptable.

And if the Government is determined to squeeze inflation out of the system why does it deliberately increase it by an increase in interest rates and other means? And if as a result of high interest rates, increased taxation and high Sterling rates, production falls dramatically, how can any increase in the money supply be justified? And how dare those who run the biggest budget deficit in history reproach others with the heinous crime of 'printing money'? And if more than three million unemployed are necessary to get inflation down to a level where interest rates two-and-a-half years ago, how many more millions of unemployed will be required to bring it down to what level—to a level which has never been reached?

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Leading article, page 17

mission control, Guildford: Students monitoring the launch yesterday and, below, an artist's impression of the spacecraft (Photograph by Keith Waldegrave).

Lift-off for Guildford satellite

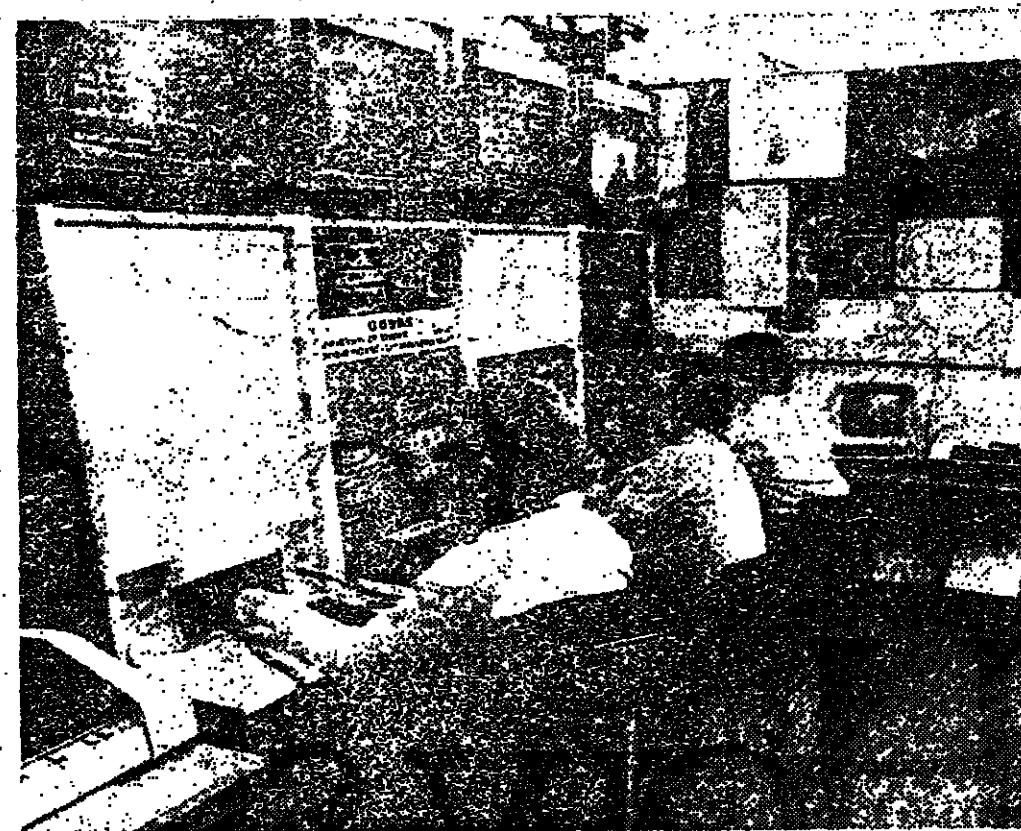
Britain's first do-it-yourself satellite was launched into space yesterday riding piggyback on an American rocket. The blast-off was at the National Aeronautics and Space Administration launch gantry in Valdeberg, California.

The satellite, called UOSAT, is under the control of Surrey University's department of electronic and electrical engineering. Late last night the university said the controllers were able to switch on the satellite's data transmitting beacon and switched it off to conserve batteries as it got out of range. On its second orbit the beacon was again switched on but no signals were received.

From a control room at the university's engineering department in Guildford the students monitored the launching of their 'home made' module, the first to be produced by a university in the United Kingdom and a half year's work.

Dr Martin Sweeting, the satellite's project leader, said after the launch: 'So far so good. But this is only the first part. It is in orbit, but not in a stable orbit. After separation we have to switch it on and make sure it is behaving correctly. We have slightly less than 12 minutes to make sure it is not overheating, too much or getting too cold. If it is then we must change its attitude in space.'

Later a spokesman confirmed that the satellite had responded to commands and the radio beacons, which transmit information had been switched on.



Mission control, Guildford: Students monitoring the launch yesterday and, below, an artist's impression of the spacecraft (Photograph by Keith Waldegrave).

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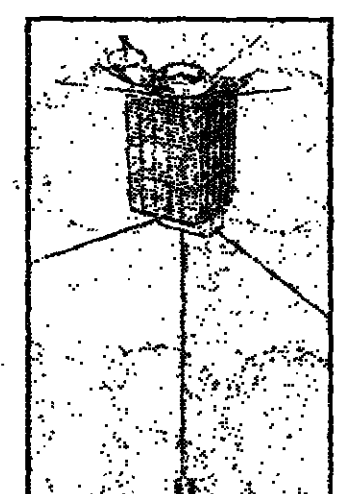
Britain's first do-it-yourself satellite was launched into space yesterday riding piggyback on an American rocket. The blast-off was at the National Aeronautics and Space Administration launch gantry in Valdeberg, California.

The satellite, called UOSAT, is under the control of Surrey University's department of electronic and electrical engineering. Late last night the university said the controllers were able to switch on the satellite's data transmitting beacon and switched it off to conserve batteries as it got out of range. On its second orbit the beacon was again switched on but no signals were received.

From a control room at the university's engineering department in Guildford the students monitored the launching of their 'home made' module, the first to be produced by a university in the United Kingdom and a half year's work.

Dr Martin Sweeting, the satellite's project leader, said after the launch: 'So far so good. But this is only the first part. It is in orbit, but not in a stable orbit. After separation we have to switch it on and make sure it is behaving correctly. We have slightly less than 12 minutes to make sure it is not overheating, too much or getting too cold. If it is then we must change its attitude in space.'

Later a spokesman confirmed that the satellite had responded to commands and the radio beacons, which transmit information had been switched on.



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The satellite is believed to be the first to contain a vocabulary of 150 words. Schools and colleges will be able to pick up its messages. The data can be displayed on a domestic television screen with the help of a receiver kit costing £150.

If the camera was pointed at Britain, they could see all of England south of Newcastle, or northern England and Scotland. Surrey University scientists are hoping that experiments on board will provide information about the behaviour of radio waves through the earth's ionosphere.

The scientists built the spacecraft with help from amateur satellite organizations and the Radio Society of Great Britain. It costs only £100,000, compared with the normal price of more than £1m.

If it goes well UOSAT will orbit the earth every 95 minutes, at a height of 330 miles. The satellite could stay up for five years, but the students were brought down to earth more quickly yesterday. They must find £15,000 not paid for by donations from British companies to cover the cost of the project.

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Science report

Reservoirs as heat sources for houses

By Pearce Wright
Science Editor

The big underground natural reservoirs, 50 to 300 feet below ground, which supply most of Britain's drinking water could also yield an important supplementary source of energy for heating homes, greenhouses, offices and factories.

The idea is being tested by a group of the Institute of Geological Sciences at a research site in East Angleshire, and it promises an advance in the technology of heat pumps.

Heat pumps are often referred to as refrigerators working in reverse because their purpose is to extract the energy from a large source of low grade heat and concentrate it into a higher grade of heat supply. For instance, a heat pump can extract energy from the air outside a building and concentrate it for use inside the building for space heating or as preheating of the hot water system.

But the process of converting a low grade source of energy into a higher grade does itself use some source of power for the pumping system needed to complete the operation. Temperature enhancement, as it is called, is obtained with a low boiling point substance, such as a refrigerant, which undergoes compression and expansion, with attendant changes of temperature.

The type of low boiling point agents are substances commonly used in refrigerators to absorb heat from the fluid being cooled, which circulates through the heat exchange coils. In the use for heat pumps, the liquid refrigerant evaporates in the outside coil on absorbing heat from the surrounding air. Once in its gaseous form, an electrically driven compressor pumps the gas to an inside coil where it gives up its energy.

Ideally, the heat pump extracts up to three units of energy from the low grade source for each unit absorbed in making the system work. Their other attraction is that in using air as a primary heat source the device has a unit readily available 'free' energy source. However there are big disadvantages in efficiency and capital costs in relying on air. One of them concerns the fluctuation in atmospheric conditions.

Underground water sources, on the other hand, provide an almost constant temperature level.

Shallow groundwater is cheap to obtain at temperatures, not seasonally dependent, between 11°C and 13°C. The quantities needed for the average-sized house are quite modest in water supply terms, at an output equivalent to 10 kilowatts (10 single bar electric fires) can be obtained from about 280 gallons an hour.

In the experiments by the institute, the groundwater is used in a water-to-air heat pump providing warm air at about 30°C for experimental greenhouses. The technical details of the work are contained in the publication *Water, the Journal of the National Water Council*.

INDECENCY ADMITTED BY SOLDIER

From Our Correspondent
Colchester

Signalman Malcolm McMichael, aged 22, was yesterday sentenced to be discharged from the Army with disgrace and ordered to serve 14 days' detention after admitting three charges of disgraceful conduct of an indecent kind with other soldiers.

A second soldier, Private Peter Biggs, also aged 22, of the Royal Army Ordnance Corps, was found guilty of disgraceful conduct after admitting indecency with Signalman McMichael. He was ordered to serve 84 days' detention. Both sentences are subject to confirmation.

The court heard that Colchester, Essex, based at Signalman McMichael, after attempting for months to hide his homosexuality, had confessed his problems to the Army's special investigation branch. The stage he had tried to lift himself.

His solicitor, Mr David James, said that Signalman McMichael committed three 'minor' indecent acts at a time when he was under the influence of drink, depressed and trying to come to terms with his homosexuality.

After the hearing gay rights campaigners protested at the sentence on Signalman McMichael.

Law report, page 9

Dead couple 'tortured and knifed'

From Our Correspondent, Glasgow

An elderly couple were sadistically tortured and knifed to death by robbers who ransacked their home, a jury at the Central Criminal Court were told yesterday.

Mr Joseph Herbert, aged 68, and his wife Catherine, aged 74, took an hour to die after two young raiders inflicted horrifying injuries. Mr Michael Worsley, for the prosecution, said: 'They had been tortured, then finally killed by knife wounds.'

James Anderson, aged 25, of north Woolwich, south London, and Michael Jamieson, aged 23, of no fixed address, both deny murdering and conspiring to rob the Herberts at their home in North Barn Road, Plaistow, east London, between August 27 and September 5 last year.

Mr Worsley said the couple's ordeal probably lasted four hours. A watch worn by Mr Herbert had been stamped upon at 2.15pm and a clock damaged at their home had stopped at 6.32am.

The couple's budgeter had been killed in an upstairs bedroom and was lying in the corner when their bodies were found nearly a week after their death.

Mr Worsley suggested that 'sadism coupled with a desire to find out whether they had any more money hidden away in the house' had prompted the killers.

Both Mr and Mrs Herbert had suffered knife wounds consistent with torture, in addition to the cuts which caused their death. Mr Herbert's injuries included cuts to the shoulder, hip, knee and thigh, and a wound above the left elbow 'caused while his hands were tied behind his back'.

Both defendants had been interviewed extensively, he said. Mr Anderson is alleged to have admitted to the police that he was among three men who had gone to the Herberts' house that night, to steal.

The trial continues today.

Later a spokesman confirmed that the satellite had responded to commands and the radio beacons, which transmit information had been switched on.

Boys aged 8 to 16 held in prison-like conditions

From Our Correspondent, Glasgow

A report that boys aged between 11 and 16 were held in prison-like conditions in rooms that were overcrowded, ill ventilated and with little or no furniture at an assessment centre in Glasgow was substantially confirmed yesterday.

The Scotsman reported on conditions at Larchgrove assessment centre in Edinburgh Road, Glasgow. Boys, it claimed, were put into a 'cell' in solitary confinement if they went against the centre's rules. Larchgrove holds 70 boys, aged between 11 and 16, though children as young as eight are sometimes held. There are 70 staff.

Councillor Albert Long, chairman of Strathclyde Regional Council's social work committee, admitted yesterday that investigations showed that most of the allegations were true.

Councillor Charles Gray, deputy leader of the council, promised at a press conference: 'There will be no whitewash whatsoever in our investigation, and remedies will be implemented as quickly as possible.'

Mr Long said that recommendations about improvement.

Disruptive children up to the age of 16 are sent to Larchgrove by children's panels, social workers, education authorities and parents. Mr Gray said: 'Disruptive' means glancing, truancy or the inability to cope with the poor domestic background.

The case of Mr James Ejim, which has been taken up by Mr John Sillkin, Labour MP for Deptford, has caused concern because under the Immigration Act, 1971, patients receiving treatment for mental illness should be removed only where proper arrangements have been made in the receiving country.

Mr Ejim came to Britain in 1971 as a student. Two months later he became seriously mentally ill and has been in and out of mental hospitals ever since.

Mr Gerald Foster, the tribunal's chairman said there was no dishonesty but the tribunal could not say that Mothercare had acted unreasonably.

The three judges, including Lord Lane, the Lord Chief Justice, decided that even though magistrates had made their commitments under the wrong Act of Parliament, the error could be disregarded and the proceedings were not a nullity.

Confusion had arisen over defendants who had been charged before July 6 this year but committed after that date. Many magistrates around the country committed them to the crown court under the Magistrates Court Act, 1980, which came into force in July. The error could be disregarded and the proceedings were not a nullity.

Leave to appeal to the House

of Lords was refused, but the divisional court certified it as a point of law of general public importance. The youth would now have to ask the House of Lords Appeals Committee for leave to appeal to that court.

There remains, however, one element of uncertainty. According to a senior official of the Director of Public Prosecutions, the House of Lords' judgment might apply only to cases where a defendant had been committed for sentence, and not where he had been committed for trial.

Law report, page 9



Mr Heath: Break these chains

the pound is in the European Currency Unit which is disturbed by these wide variations in Sterling. The interests of Britain and the other members of the European Community are thus in line, to obtain lower interest rates and to achieve stability in their currencies. The members of the Community must now be prepared to act as one in order that inside the Community they can adjust and coordinate their interest rates without having to elevate them to the American levels, and can stabilize their currencies with the use of the adjustment mechanisms which make the EMS far more flexible than any of its predecessors. The resources available to the Community should enable them to achieve this. They have to put a ring fence round its money and capital markets to enable it to disengage itself more effectively from aberrations in the rest of the world. It will require speedy action and firm leadership within the Community. We in Britain should resume the use of our powers of exchange control as part of a Community exchange control system vis-à-vis third countries. This could be used in either direction, to prevent hot money pouring in and thus reducing our currency to an undesirable level or to prevent capital flowing out to centres of higher interest rates and thus reducing our currency to the level where it is undervalued.

It is yet another myth to say that Bank of England exchange controls were ineffective. After 1931, they were well organized and highly efficient and we

Grey, 10/1/80

Scargill calls coal boards 9% offer an insult

By David Felton, Labour Reporter

The miners were yesterday set on course with a double-figure pay increase this year, and again become pace-setters for the other powerful public sector unions against the background of the Government's decision to restrict pay rises for public service workers to less than 5 per cent.

National Coal Board negotiators indicated that £120m was available for pay increases, a figure variously represented as equivalent to an 8 or 9 per cent offer to the 220,000 miners.

Leaders of the National Union of Mineworkers told the board that more money must be produced to avoid a winter confrontation.

Mr Joseph Gormley, NUM president, adopted a conciliatory stance but made clear that the momentum of negotiations must increase to meet the new November 1 settlement date. Mr Arthur Scargill, leaving leader of the Yorkshire miners, who is contesting the election for the union presidency, said the offer was "contemptuous and an insult".

He believed the Government was directing the board in the pay discussions and estimated that the money available would increase basic rates by £6.45 a week for all miners, a rise of just under 8 per cent.

Based on cost-based figures, the increase would amount to about 9 per cent of the basic wage bill, but it was clear after yesterday's meeting that more money would be produced and union leaders were confident to expect to break the psychologically important double-figure barrier.

Meanwhile, leaders of unions representing four million public service workers met yesterday for the TUC to plan a coordinated campaign of opposition to the Government's 4 per cent limit for workers in town halls, the health service and schools.

Mr Geoffrey Brown, chairman of the TUC public services committee, said after the meeting that the unions would press for shorter working time and pay increases in line with the cost of living.

Negotiators representing a million local authority manual workers drew up their pay

claim, and Mr Drury said: "There is no way that they will plough a lone furrow this year."

The coal board's response yesterday was in reply to a claim by the miners for a 24 per cent increase, which encompassed a £100-a-week minimum rate for the industry, the introduction of a salary structure, a shorter working week, and extra holidays.

If met in full, the claim could herald the appearance of top-flight face workers earning £10,000 a year, including incentive bonus.

Coal and negotiators made clear to the NUM that the industry was going through a difficult period. Fifteen tonnes totalling 21 million tonnes were well above a desirable level.

Mr James Cowan, coal board member for industrial relations, said the £120 wage bill increase would be consistent with our objectives to keep mineworkers at the head of the earnings league on the one hand and to safeguard the future of the industry on the other.

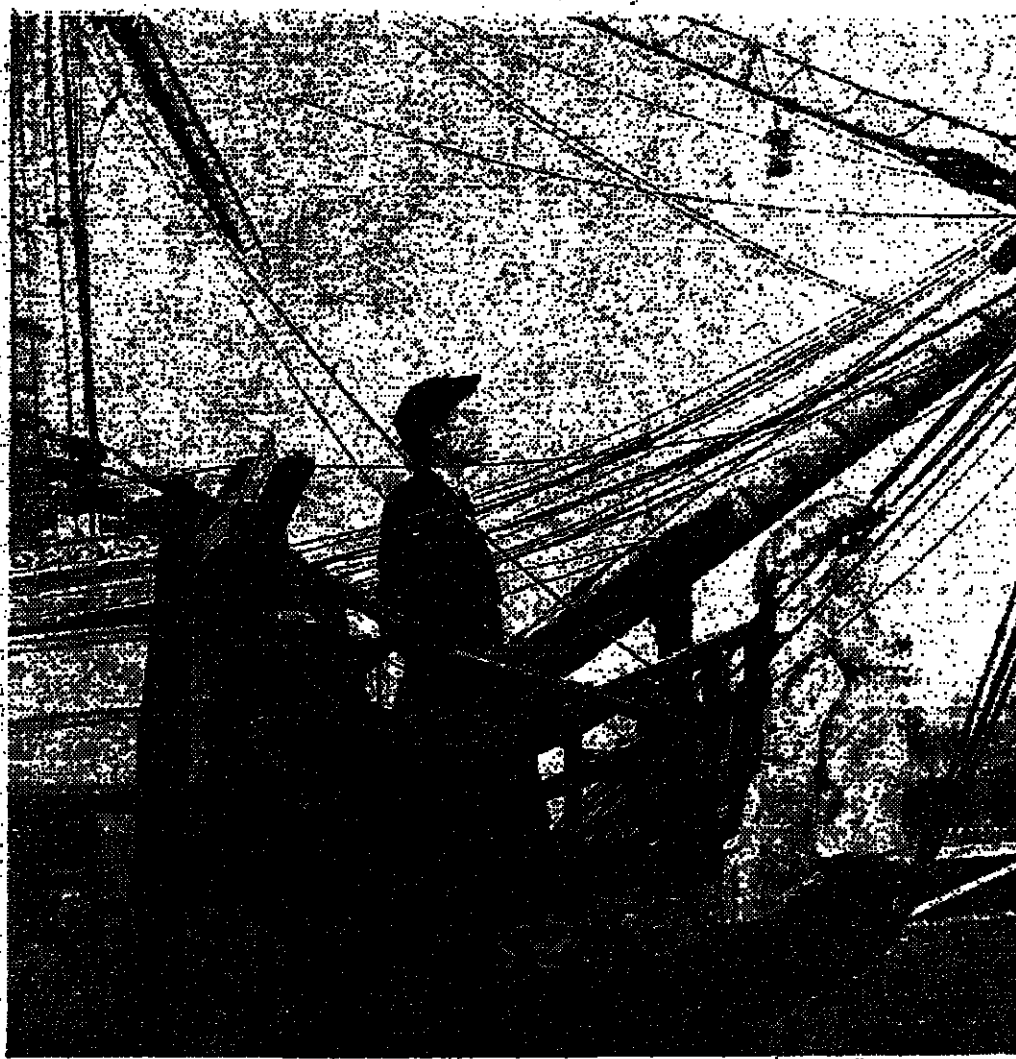
Mr Cowan asked whether the board's initial position would be its final stance, replied: "I have never known pay negotiations to begin with a final offer."

Talks between the two sides are to be held on October 19, when the coal board will transact the lump sum into a firm offer.

The board made clear yesterday that it was considering a coal price increase this winter which would, however, be below the inflation rate.

The Iron and Steel Trades Confederation is to seek an urgent meeting with Mr Ian MacGregor, chairman of the British Steel Corporation, to protest at the decision that there will be no national pay increase for the industry's 93,000 manual workers next year.

MacGregor has said that increases must be negotiated at local plants on the basis of productivity.



Miss Felicity Potter, pictured by Sir Cecil Beaton in 1940 when, as a second officer in the Women's Royal Naval Service, she took him on a tour of the Portsmouth naval base, and (right) at her home near Truro, Cornwall, yesterday. Miss Potter, who was appointed MBE for her wartime services, is now aged

Beaton's record of war revived

65 and retired from a career at the bar. She was traced through military records by the organizers of a Beaton exhibition which opens to the public at the Imperial War Museum tomorrow. The exhibition, which runs until October 10 next year, features 250 of the

10,000 photographs taken by Sir Cecil for the Ministry of Information in the last war. The exhibition, which Sir Cecil considered "an inspiration" in its early stages, will be officially opened by Mr Paul Channon, Minister for the Arts, today.

Glue-sniff youth in murder trial

From Our Correspondent, Cardiff

Neville Waite killed his grandmother after a glue-sniffing session, the prosecution alleged at Cardiff Crown Court yesterday.

The schoolboy, aged 16, dumped her body in a bath after battering her with a poker. Mr John Prosser, QC, for the prosecution, said: "He later broke down and told the police: 'I killed Nana. What's the matter with me? I must be glue'."

Mr Waite, of High Street, Knifing Hill, Mid-Glamorgan, denies murder but admits the manslaughter of his grandmother, aged 76, last May on the grounds of diminished responsibility.

Mr Prosser told the jury that after brutally attacking Mrs Emma Waite as she sat in a rocking chair at her council flat in Florid-y-Godwg, Knifing Hill, Mr Waite dumped her body in a bath of boiling water. He had been disturbed at the flat by Mrs Waite as she searched through drawers for money to steal.

Mr Prosser said Mr Waite later told the police that his grandmother, a widow, had got cross and threatened to tell his parents. He told them: "I hit her over the head three or four times with a poker and she went unconscious. She didn't have a chance. She didn't see me coming. I remember walking into the bathroom and filling the bath with water. I was in a terrible state. I went back to my man and pulled her feet first into the bathroom and tipped her into the bath."

Mr Prosser added that Mr Waite had been sniffing glue as a habit for more than a year before the killing. He alleged that he told the police: "I think this happened because of my problem with sniffing glue. I got out of hand with me, I just couldn't stop."

The trial continues today.

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IN BRIEF

Salt devours council vans

Corrosion costing thousands of pounds has affected more than 150 vehicles owned by Colchester Borough Council in Essex because they have been stored near stocks of road salt for 10 years. Many vans for sale and 'battered' have had to be scrapped ahead of time.

The council is to move the salt and is considering buying a £10,000 vehicle washer. £205,000 has been set aside this year for new vehicles.

CID chief accused

The head of Cambridgeshire CID appeared before the Peterborough magistrates yesterday, accused of driving with excess alcohol, and of reckless driving.

Superintendent Richard Mulheir, aged 50, of Hollow Lane, Ramsey, pleaded not guilty. The hearing was adjourned until October 20.

Boy's fatal fall

Aaron McCormick, aged three, fell to his death from the window of his parents' tenth-floor flat in Dagwell Street, Battersea, south London yesterday.

Bedroom death

The body of Mrs Margaret Simmons, aged 64, of Fleming House, George Row, Southwark, south London, was found in a smoke-filled bedroom at her flat early yesterday.

Back on track

The railway station at the village of Wetheral, Cumbria, was reopened yesterday after 14 years because of new housing developments in the area and parish council pressure.

Fraud cast remand

Facing two charges of false accounting, Ian Strachan, aged 60, of Manor Road, Hinchley Wood, Essex, secretary of the Kingston Building Society was yesterday remanded on bail by the magistrates at Kingston-upon-Thames until November 30.

Palace charge

Keith Wapshott, aged 17, of Singapore Drive, Gillingham, Kent, who was arrested outside Buckingham Palace with an air rifle, was further remanded in custody until October 14 by the Bow Street magistrates yesterday, accused of possessing an offensive weapon.

Refinery man killed

Mr Michael Smith, aged 27, a pipe fitter, was killed yesterday when a fire broke out in a plant at the Esso oil refinery at Fawley, Southampton.

Heart transplant death

A man aged 50 from Preston, who had a heart transplant on Monday, died yesterday in Harefield Hospital, London.

Manx birch sentence quashed by court

From John Chartres, Castleton, Isle of Man.

The Isle of Man Court of Appeal, yesterday quashed a birching sentence imposed on a youth aged 16.

They sent the case back to the juvenile court magistrates who last July had sentenced him to four strokes of the birch, and recommended a custodial sentence, instead.

The Glasgow youth, who had admitted assaulting another youth aged 18, with a beer glass on a ferry from Ardrossan to Douglas in the Isle of Man, was refused bail and remanded in custody.

On Monday, the Court of Appeal refused to allow the youth to withdraw his appeal, despite a plea from his lawyer that he wanted to be birched. "Sufficient" indications were given by the judges to make it probable that birching sentences will never again be imposed on the island.

The judgment, declared by Mr Benet Palmer, QC, a judge of appeal in the Isle of Man, of behalf of himself and the island's senior High Court judge, Deemster Arthur Luff, pointed out that a decision by the European Court of Human

Rights in Strasbourg had declared birching to be a degrading punishment. A copy of that decision had been sent to all magistrates in the Isle of Man but it appeared that no guidance was given to magistrates nor had any steps been taken to change the existing legislation, nor were any such steps contemplated at present.

The magistrates' decision to order a birching sentence was therefore "perfectly lawful" but the general position was most unsatisfactory.

In ordering that the sentence should be quashed and remitted to a juvenile magistrates' court again the appeal judges recommended that custodial sentences either to borstal or to another form of detention centre should be considered.

Mr Hymer said that he and his colleagues were surprised to learn that the magistrates who imposed the birching sentence more than four years after the Strasbourg court's decision apparently sought advice only from their own clerk before taking such a step.

Grants to voluntary bodies increased by 12%

By Pat Healy, Social Services Correspondent

Grants to voluntary bodies from social services authorities rose last year by an estimated 12 per cent in real terms over the previous year, the National Council for Voluntary Organisations was told at its annual meeting in London yesterday.

But Mrs Lynda Chalker, parliamentary under-secretary for social security, suggested that these were lagging well behind other councils in helping the voluntary sector.

Mrs Chalker said that as a Merseyside MP she was well aware of the difficulties faced by voluntary bodies, which were not immediate identikit solutions. The answer depended partly on the help local authorities gave to voluntary organisations.

The overall increase in grants last year compared with an increase in all social services expenditure of between 1 and 2 per cent. With the inner cities in mind, Mrs Chalker said, she had checked current estimates for the inner London boroughs and metropolitan districts. Their grant expenditure had gone up respectively by about 20 per cent and 8 per cent in real terms against the national average of 12 per cent.

Mrs Chalker also announced that a consultation paper would be issued soon suggesting how voluntary bodies might spend the extra £3.5m available to her department to develop voluntary action by the unemployed. She assured the meeting that the Government did not regard voluntary work as a substitute for paid employment.

It is particularly concerned that several Conservative-controlled boroughs in Greater London have refused to send out the GLC's leaflet explaining the rate.

Dr Tony Hart, chairman of the GLC finance and general purposes committee, said yesterday that the need for a full explanation was made even more necessary because of outrageous behaviour by certain London boroughs.

He said five boroughs, Bromley, Wandsworth, Redbridge, Bexley, and Hammersmith and Fulham, had "blatantly refused to send out with rate demands a factual, impartial Council Hall statement explaining the supplementary rate".

Dr Hart said the GLC wanted to make sure that every ratepayer understood that only half the supplementary rate was to pay for the 25 per cent bus and

NUJ offers amnesty to 700 strike rebels

The National Union of Journalists is to open its doors to 700 former members expelled for defying an order to strike three years ago. It will also refund fines totalling £4,000 to another 100 members who refused to join the strike.

The amnesty comes after the announcement yesterday that the union had decided to abandon its lengthy legal battle with a group of journalists from Birmingham and Coventry who claimed that the union's strike order during a pay dispute involving provincial newspapers in 1978 was illegal.

The journalists argued that union rules obliged the NUJ to ballot members if more than half were to be affected by a strike.

The union countered that since only 8,000 of its 23,000 members had been told to strike, the majority would not be affected. Its view was upheld by the High Court, but reversed by the Court of Appeal and the House of Lords.

Mr Kenneth Ashton, general secretary of the NUJ, said yesterday that the union had little to gain from prolonging the court dispute. "It could cause problems for us in the future. Now is the time to say, 'all this happened more than two years ago. We are anxious as a union to represent journalists, especially in the face of mounting redundancies'."

An agreed statement said both sides recognized that prolongation of the action would be detrimental to the interests of the union.

Journalists were urged yesterday "to get their hands on the levers of power" in the newspaper industry before the National Graphical Association monopolized new technology (Arthur Osman writes from York).

At their annual conference the Institute of Journalists deplored proposals for a merger of the NUJ and the NGA, as a step endangering editorial freedom.

Mr Christopher Underwood of the BBC, immediate past president of the institute, said: "The journalists have been the poor relations for far too long. With the new technology we have the opportunity of going to the front."

Mr William Sholto, of the Financial Times, said: "I think the NGA contains enough bright chips in its ranks to ensure that the marriage between the two organizations would be an unmitigated disaster for the printers."

NUJ members might consider whether an alliance with the old technology would assure them a prosperous future as against going forward with production with new technology, he said.

Mr Simon Hardman-Mountford, of York, said: "The institute has got to make its voice heard. It has got to see that journalists get their hands on the levers of power in the new technology."

Mr Harry Holt, of Birmingham, said any merger would mean the NUJ automatically supported input by the NGA.

Mr Underwood commented: "The NUJ is a near-bankrupt outfit. The NGA has some of the hooligans who have been raping and pillaging Fleet Street for far too long. The NGA is the union which set up the print strike in 1978. The Sunday Times on the brink of disaster."

"Do not let us suppose they will not try and do it again. This crisis, if not at *The Times*, will occur again somewhere else. The printers had been 'calling the shots' for many years and clearly the merger was in the interests of the NGA."

GLC attacks Tory ban on rate leaflet issue

By Christopher Warman, Local Government Correspondent

The Greater London Council is to hold a series of public meetings in the next few months to explain the council's supplementary rate demand, which is now arriving through the letter box.

It is particularly concerned that several Conservative-controlled boroughs in Greater London have refused to send out the GLC's leaflet explaining the rate.

Dr Tony Hart, chairman of the GLC finance and general purposes committee, said yesterday that the need for a full explanation was made even more necessary because of outrageous behaviour by certain London boroughs.

He said five boroughs, Bromley, Wandsworth, Redbridge, Bexley, and Hammersmith and Fulham, had "blatantly refused to send out with rate demands a factual, impartial Council Hall statement explaining the supplementary rate".

Dr Hart said the GLC wanted to make sure that every ratepayer understood that only half the supplementary rate was to pay for the 25 per cent bus and

Tube fares cut, which began on Sunday.

"The remainder of the supplementary rate is to pay a Government 'fine' which has been imposed because we have dared to carry out a fares cut policy which a majority of Londoners approved six months ago."

British cities will face renewed rioting next year and several more years of serious street violence unless the rise in unemployment is halted, Mr Ken Livingstone, leader of the GLC, predicted yesterday (David Nicholson-Lord writes).

The GLC yesterday agreed to proceed with the sale of 355 homes on three GLC estates, after a High Court ruling that they otherwise be breaking the law (a Correspondent writes).

The decision, by 23 votes to three, came after a heated meeting of the Labour group on Monday night. It was opposed in a joint meeting of the housing and finance committees by the Labour left-wingers.

The three estates where sales will proceed are St Paul's Court, Hammersmith and Fulham (245 homes), Elgin Avenue, Westminster (62) and Kilner House, Lambeth (48).

TUC urges equal pay changes

By Our Labour Staff

The TUC yesterday accused the Government of deliberately trying to reduce working opportunities for women and called for the amendment of the Equal Pay Act.

Mr Len Murray, TUC general secretary, said in the letter to Mrs Margaret Thatcher that government policies were affecting all working people but women workers most of all. The Act should be amended to provide for equal pay for work of equal value.

"Cuts in services upon which women particularly depend, such as nurseries, school meals and facilities for elderly people and other domestic services, have a special detrimental effect on women workers. Moreover these cuts have been implemented at a time when women are facing severe employment difficulties," Mr Murray said.

Changes in maternity rights for working women introduced under last year's Employment Act had caused difficulties for women who would like to return to work after pregnancy.

In a similar letter to Mr Michael Alison, Minister of State at the Department of Employment, Mr Murray said the TUC supported the view of the European Commission that the United Kingdom Equal Pay Act did not comply with Community law.

RUNAWAY ROLLER

Mr Bill Fraser, a learner driver, leapt on board a moving, driverless road roller yesterday and brought it to a halt. However, it was not before the runaway 10-ton roller had crashed into a supermarket, causing £500 of damage. The incident happened in Cudworth, near Barnsley.

Mr Fraser, aged 45, a welder, had looked out of his sitting-room window and seen the machine trundling across the road towards his house.

Job losses blamed on unions

By Hugh Noyes, Parliamentary Correspondent

It was time trade unionists learnt from the experience of recent years what a tragic price in unemployment had been paid for the misuse of their power, Mr Leon Brittan, Chief Secretary to the Treasury, said yesterday.

While praising the constructive role played by the TUC in resolving the recent dispute at the *Times*, Mr Brittan added that over-powerful and irresponsible unions, many of whose leaders were politicians first and unionists second, had greatly harmed our economic performance. Their misuse of excessive industrial power, he told a North Dorset women's advisory committee lunch at Wimborne Minster, was the main avoidable cause of high and rising unemployment.

It was no accident that the growth of unionization and, above all, of the closed shop, had been associated over the years with successively higher unemployment.

Mr Brittan saw some hopeful signs that sensible settlements were being accepted to secure jobs. The Government was looking at the response to its Green Paper on trade union immunities he said, to see what further measures were needed to create a better balance of power in industrial bargaining.

Support for government economic policies came from Mr Enoch Powell, Official Unionist MP for Down, South. Speaking in Birmingham, he argued that in no circumstances should unemployment be compounded by artificially forcing firms to regenerate old forms and patterns of industrial production. Salvation would not be found by reversion.

Mr Powell pointed to the paradox of three million unemployed at a time when Britain's favourable balance of trade provided a surplus which allowed us to more than pay for everything we needed to buy from abroad.

Both the Royal Horticultural Society's New and Old Halls, Westminster, are full, accommodating as they do the RHS flower show in the New Hall and fruit and vegetable show in the Old. Held in conjunction with these two shows are the competitions of the Alpine Garden Society, British National Carnation Society and the Japan Society of London's Bonsai.

There are many different plants for gardeners to see and buy, including roses, coleus, bulbous flowering subjects, trees and shrubs, alpine plants, ferns, dahlias, chrysanthemums, orchids, per plants, bonai, fuchsias, pelargoniums, pinks, dwarf and slow-growing conifers, and herbs.

Regrettably, the standard of many trade exhibits is not as high as might be expected, in some cases because of the high winds and heavy rains of the

past few days. As a result, only one gold medal has been awarded and that is to the National Vegetable Society Southern Branch.

The Society has staged an excellent and informative collection of vegetables and herbs, which include onions, shallots, beans, carrots, peppers, potatoes, tomatoes, marrows, pumpkins, courgettes, leeks, cucumbers, Swiss chard, beetroot, cabbage, broccoli, celery, fennel and sweetcorn in a range of varieties. All have been most decoratively arranged by members of the society and the exhibit is attracting considerable interest.

Also in the Old Hall the Royal Horticultural Society Garden, Wisley, has staged an interesting collection of maincrop potatoes undergoing trial. Awards of merit have been awarded to the pink varieties 'Marfona' and 'Fanfare' and

Mrs Emma Waite: "Body was dumped in bath"

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by-election are anything to go by, that record is not in jeopardy in Croydon.

Polling for the by-election caused by the death of Mr. Robert Taylor, the sitting Conservative, is on October 22.

MPs want fewer junior doctors, more consultants

By Nicholas Timmins

A radical revision of the hospital career structure, with far more consultants and far fewer junior doctors, leading to better and more cost-effective treatment with shorter waiting lists, was called for yesterday by the House of Commons Social Services Committee.

The present system, with about 11,500 consultants in England and Wales supported by a relatively large number of junior doctors (about 21,500), places patients at potential risk, the committee says.

Too much care is given by unsupervised and often over-worked junior doctors. Many patients never see "their" consultant, while many juniors are on call for more than 90 hours a week and cannot possibly be providing the best service.

Standards of care are adversely affected, and the taxpayer is financing a service that is less efficient than it should be.

The answer, the committee argues, is to create more consultant posts, with fewer junior positions. Consultants would be appointed younger, would undertake more on-call emergency work and would share their work more. Junior doctors would work shorter hours, receiving better training and having improved career prospects.

Using Department of Health and Social Security figures, the committee argues that consultants work more efficiently, and there could be savings of tens of millions of pounds a year in shorter hospital stays, fewer outpatient visits, fewer X-ray and laboratory tests and a reduced

load on general practice, as patients would be treated more quickly and waiting lists shortened.

The committee's report is the eighth time the hospital career structure has been examined in the past 25 years, but the committee is confident that its proposals, which estimate would cost about £45m over 10 years, will finally produce some movement.

Introducing the report, Mrs Renée Short, Labour MP for Wolverhampton, North east, the committee's chairman, said that in the past "solutions have been proposed and sometimes have been agreed, but they have never been implemented".

The report was given an enthusiastic reception by junior hospital doctors' leaders, who have been campaigning for such changes for years. Dr Michael Rees, chairman of the Hospital Junior Staff Committee, said that despite some reservations the report was "fantastic".

The British Medical Association, reflecting more the consultants' view, was considerably more cautious. It accepted, in general, the emphasis on expanding the consultant grade, agreeing that that would inevitably mean some reduction in junior doctors' posts.

Its proposals, the committee argues, will make unnecessary the cut in the intake of medical students which some have been advocating because they fear the present career structure will lead to unemployment.

Fourth Report from the Social Services Committee (Stationery Office, 16.35).

Civil Service tries to end dispute over promotions

By Peter Hennessy

The Civil Service Department has taken an initiative which it hopes will persuade the Society of Civil and Public Servants to drop its plan to sabotage a new scheme designed to find young recruits for swift promotion to the upper ranks of the Whitehall hierarchy.

The society has criticized the procedure, due to start on January 1, because it requires executives to offer to take part in the scheme of the Civil Service to compete with graduates drawn from universities and polytechnics in what the society regards as "an academically biased selection process".

At the end of last month the society distributed a circular to its members urging them to make the scheme "inoperable" by refusing to take part in the sequence of tests, interviews and exercises held by the Civil Service Selection Board.

After reading the society's circular, Mr Angus Fraser, deputy secretary in charge of the CSD's personnel management group, wrote to its general secretary, Mr. Gerry Gillman, expressing disappointment at the society's action.

He points out that the aim is to take half of the 50 to 100 entrants to be drawn each year into the new scheme from those already serving in the executive grades represented by the society. Mr Fraser says:

As the society's annual conference rejected the new scheme in May, the CSD has decided to implement it over the union's objection by the process known as "administrative action". The new procedure, which will replace the administration trainee scheme introduced in 1971 in the wake of the Fulton report, gives senior executives a say in the selection of recruits who will be earmarked for rapid promotion.

Administration trainees will continue to be drawn from universities and polytechnics. After two to three years, they will move into the new grade of higher executive officer (development). Executive officers appearing before promotion boards for higher executive officer posts, will, if they shine, be invited to undertake the extended selection procedure operated by the Civil Service Selection Board. If they succeed, they too will enter the grade of HE0 (D).

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Art restorers Andrew Durham (foreground) from Leicestershire, with Donald Forbes (centre) of Edinburgh and Kenneth Malcolm of the National Gallery, London, learning to use the gallery's restoration facilities (Photograph by Jonathan Player).

Landscape protection up to Lords

By Our Planning Reporter

A final attempt is likely to be made in the House of Lords next week to obtain greater protection for outstanding landscapes and wild life habitats.

Conservationists are hoping that a majority of peers will vote for restoration of the so-called Sandford amendment to the Wildlife and Countryside Bill, which would have allowed the government grants to be diverted from agricultural improvement to environmental protection if the two were in conflict.

During the Bill's passage through the House of Commons, however, the Government replaced the amendment with clauses which would give farmers the right to compensation if they are refused improvement grants, and would allow the government to compensate those who object to such schemes.

University agrees to shed 400 staff

By Diana Geddes, Education Correspondent

Bristol University's senate has agreed that the university will have to shed 400 of its staff over the next three years, including about 150 academics, unless it can find other sources of income to make good accumulated cuts in grant of £10m by 1983/84.

The university estimates that 150 of the staff cuts will have to be made by compulsory redundancies. That includes some 80 academic staff. Academic staff contracts at Bristol include a provision for termination of employment by either side on three months' notice; it is uncertain whether academics will be protected by this normal tenure arrangements.

The total staff at Bristol, including part-timers, is about 3,500. The university is to have its grant cut by 16 per cent over the next three years, about average for all universities. It has been asked to cut its students by 400.

TV South aims at children

By Kenneth Gosling

TV South, one of the two independent television companies that begin broadcasting on January 1, is to have a "protected" hour at teatime for younger viewers.

Mr Michael Blakstad, director of programmes, said in London yesterday: "The decision of the children's audience towards the BBC has got to be stopped. Many of the ITV companies now share our view and we look forward to an improvement in the scheduling of children's programmes next year."

On four days a week, the hour will end at 5.15 with a pop radio station, with an omnibus edition at weekends.

Mr Blakstad said they intended to change the pattern of early evening scheduling in the expectation that by about 1984 the face of television would have altered.

BL launches its Honda-based model today

By Peter Waymark, Motoring Correspondent

BL's new Honda-based car, the Triumph Acclaim, goes on sale today. Despite the dispute at the Cowley plant which stopped production of the model last week, some 7,500 cars are with dealers, as planned and the launch is not affected.

The Acclaim is the first car to be built in Britain in collaboration with a foreign manufacturer and is a step in the BL Cars recovery programme under which new models will appear every year until the mid-1980s.

The sequence began last year with the Metro, and will continue in 1982 with the Ambassador, a revised version of the Princess. Other new cars under development are a medium hatchback and a

looon, code-named the LM10 and LM11, and the XJ40 Jaguar.

BL expects the Acclaim to take 3 per cent of the British market, suggesting sales next year of between 40,000 and 45,000 units. The company does admit that half of those could be at the expense of its other models, such as the Allegro.

The agreement with Honda, BL will have exclusive rights to sell the car in the EEC and exports are due to start in the spring. Total production of the Acclaim will be around 60,000 units a year.

models have a radio, digital clock and laminated windscreen, and air conditioning is an option on the two dearer versions.

The Acclaim is being marketed as a sporting and well equipped small saloon in the tradition of the former Triumph Dolomite. It has an advanced mechanical specification, including front-wheel drive and all-independent suspension.

The engine is Honda's 1355cc, all-alloy overhead camshaft unit and there is a choice of five-speed manual and three-speed automatic transmissions. Fuel consumption is claimed to be among the best of any car in the class, with an overall 40 miles to the gallon.

The Acclaim is based on the Ballade, a model launched by Honda in Japan a year ago. BL has retained the suspension to give a softer ride and fitted thinner front seats to increase legroom in the back.

Apart from the engine, gearbox, suspension units and fascia, most of the Acclaim's components are made in Britain. The value of the car's British content is around 70 per cent and this proportion is expected to increase.

By buying a ready-made design from another manufacturer, BL has been able to get a new model into production more quickly, and at lower cost.

A £70m factory modernization has been carried out at Cowley.

Law Report October 7 1981

Divisional Court

Sentence committal not vitiated by wrong citation

Regina v Folkestone and Hythe Juvenile Court Justices, Ex parte R (a juvenile)

Before Lord Lane, Lord Chief Justice, Mr Justice Kilner Brown and Mr Justice MacLennan [Judgment delivered October 6]

An error in a memorandum of conviction - it stated by mistake that a committal for sentence was made under section 37 of the Magistrates' Courts Act 1980, which came into effect on July 8 - did not vitiate a sentence of borstal training passed by the Crown Court to which a juvenile offender was committed.

The justices' jurisdiction to commit was given by section 28 of the Magistrates' Courts Act 1952, which was the applicable power under the transitional provisions in Schedule 8 to the 1980 Act, but the words including the wrong statute in the memorandum of conviction were held to be surplusage.

The Divisional Court rejected an application for an order of certiorari to quash an order of Folkestone and Hythe Juvenile Court Justices that the applicant be committed to the Crown Court for sentence under section 37.

Their Lordships certified under section 1(2) of the Administration of Justice Act 1969 that the decision involved points of law of general public importance: "(1) whether in cases covered by transitional provisions of the 1980 Act proceedings in the magistrates' court are rendered null and void if the memorandum of conviction contains an error of law; and (2) if so, whether the error of law is such as to vitiate the sentence."

Mr Michael Blakstad, director of programmes, said in London yesterday: "The decision of the children's audience towards the BBC has got to be stopped. Many of the ITV companies now share our view and we look forward to an improvement in the scheduling of children's programmes next year."

On four days a week, the hour will end at 5.15 with a pop radio station, with an omnibus edition at weekends.

Mr Blakstad said they intended to change the pattern of early evening scheduling in the expectation that by about 1984 the face of television would have altered.

The LORD CHIEF JUSTICE said that the application was likely to affect a large number of cases up and down the country in which a similar error had occurred.

The applicant, who was 15 years of age, was charged and arrested for breaking and entering a shop at Folkestone and was charged also with two other offences on June 30. He made his first appearance in court on July 1 and on July 10 he pleaded guilty to the three charges. On July 27 he was committed for sentence pursuant to section 37 and on August 17 the Crown Court sent him for borstal training for 32 weeks.

Section 37 was in precisely similar terms to section 28 of the 1952 Act except for a transposition of words - a distinction without a difference.

It was conceded that the "proceedings were commenced" within paragraph 2(1) of Schedule 8. The minute of adjudication set out all details accurately but after the words "Committed in custody to the Crown Court for sentence" there were added within parentheses was "M.C.A. 80 s37".

That was incorrect, and Mr Hagan submitted that the error vitiated the committal which thereby became a nullity and the applicant was entitled to succeed and to have his sentence set aside.

His Lordship considered R v Kent Justices, Ex parte Machin (1952) 115 QB 355 and Mack v Mack (1952) 115 QB 355 and held that they could be distinguished.

Mr Hagan submitted that if the justices had chosen in the minute of adjudication to add within parentheses was "M.C.A. 80 s37", that would have been a perfectly proper exercise of their powers and jurisdiction to which no possible exception could have been taken.

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Corroboration unnecessary for dying declaration

Nembarb v The Queen

Before Lord Diplock, Lord of Appeal in Ordinary, Lord Edmund Davies, Lord Roskill and Sir Owen Woodhouse [Reasons delivered October 6]

There is no common law rule of law or practice that a jury should be warned that evidence of a dying declaration is unreliable and that it should be treated with caution.

The Judicial Committee of the Privy Council has dismissed the appeal of Nembarb v The Queen, a case in which the appellant was convicted of murder on the basis of a dying declaration.

Mr Peter Martin, for the appellant, submitted that the evidence of a dying declaration should be treated with caution and that it should be treated with caution.

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preparations had been associated with the admission of the evidence and its subsequent assessment by the jury.

It would always be important for the jury to be told that the evidence was hearsay and that the jury should be told that the evidence was hearsay.

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SICILY

John Earle describes the region's significance as the centre of gravity shifts southwards again.

Back in the family

To its 4.8 million people, Sicily appears to be growing in international importance. The entry of Greece and, soon, of Spain and Portugal into the European Community, means that Western Europe's centre of gravity is shifting southwards.

With the increase in international tension, Sicily has become a strategic outpost for the West and the disused airport of Comiso, near Ragusa, has been selected — though over the head of the regional government — to house Italy's contingent of United States cruise missiles. For Sicilians like Signor Giuseppe Orlando, who as Secretary General of the Presidency is at the pyramid of the regional government executive, the wheel of history is turning full circle. "From being on the extreme fringe of Europe," he says, "we are again becoming central to Europe". It is like the period eight or nine hundred years ago, when cargoes from the east used to arrive in the island for onward shipment to Europe.

Because of these changes, Signor Orlando feels that the closure of the British Consulate in Palermo two years ago on the grounds of economy was badly timed.

The decision broke a link which dated from the development of the Marsala wine trade and the hospitality given to Nelson's fleet nearly two centuries ago, and which was momentarily rekindled by the warmth of the welcome given to the Queen and Prince Philip when they passed through in the Royal yacht last October on their way to Algeria.

In its long history Sicily has been colonized or ruled by ancient Greeks, Phoenicians, Arabs, Normans, Spaniards. All have been absorbed and amalgamated.

Unknown prosperity comes from the profits of the Mafia

"We are," to use Signor Orlando's phrase, "a lesson in living together". Though too polite to take the subject further, his words imply that the lesson could well be learnt by other areas on the fringe of Europe, like Northern Ireland.

So there is a feeling of things moving, though to the visitor from the outside it is hard to determine how far they will go. Many of the old structures and patterns of life remain, seemingly irremovable on the surface.

The Mafia is as far from being eradicated as ever. The victims, recently, have been mostly among the gangs themselves, but in the past few years they have included politicians, both Christian Democrats and Communists, judges, and senior police officers.

The outstanding assassination was that, on the feast of the Epiphany in January, 1980, of the regional Prime Minister, Signor Piersanti Mattarella, a young Christian Democrat who, according to political friends and foes, was trying to introduce a modern and honest style of government. It stopped a course towards renewal from which the island, on the political level, has not recovered.

No one can tell how much of the evident signs of prosperity in the centre of Palermo come from emigrants' remittances and how much from Mafia profits. Palermo will mention a figure running into billions of dollars, reported to have been calculated by the American authorities, as the estimated annual turnover of the drug

traffic from the East which passes through local hands on its way to North America. Boutiques, in consequence, are well stocked, expensive cars contribute to the traffic jams, and the consumption of champagne per person is said to be among the highest in any town in Italy.

The supply of water has long been a Mafia sphere of interest and dams can be built with public funds but, if the local boss does not give the word, they remain unfilled or their water is not distributed.

Under an antiquated system, tax collection is still farmed out in much of Sicily to private individuals who take a substantial commission. Such is their accumulated financial power that they are reported to be able to manipulate certain politicians: of the ruling parties.

The machinery of regional government creeps and groans with old age and, when it turns, finds difficulty in going forward. The government is behind in its efforts to apply a regional economic plan. Far from being a poor region, the government is unable to spend all the money at its disposal.

Governments tend to have a shorter life even than in Rome

The public attorney at the Corte dei Conti (court of accounts) for the region, a public body which supervises government finances, notes in an annual report for 1980 that the region ended the year with a current account balance of 323,132,897,113 lire (£153.8m).

With accumulated unspent funds of 2,291,264,114,557 lire (£1,091m) in his report, frequently critical of the regional government for failure or delay in implementing its laws, he underlines "the incognuity between the region's financial situation, characterized by a notable budget surplus and by sizeable bank deposits, and the economic crisis encompassing Sicily, with the grave phenomena of unemployment and insufficient investment".

He adds that the region's deposits may be used by banks for financing operations outside, thus indirectly aggravating the Mezzogiorno's problems and increasing the income gap between north and south.

Such an inefficient government machine only makes the task more daunting for those politicians and officials who are trying to equip the region to meet the forces of change. They are fighting on two fronts, externally as well as internally, for with Rome there is constant skirmishing.

The latest case is the region's refusal to comply with an instruction by the central government's treasury minister, Senator Nino Andreatta, who in order to curb the public sector deficit ordered all regional and local authorities to pay into the treasury funds held on deposit in excess of 12 per cent of their annual revenue.

The region maintains that this offends against its autonomy and has taken the case to the constitutional court. The region's statute or constitution, drawn up in 1946 when Rome granted autonomy to forestall pressure for independence, contains numerous articles which are not applied.

The region has, on paper, power to levy taxes. The Banco di Sicilia, the public sector bank for the area, should have facilities for channelling to the region the proceeds from Sicilian ex-

ports and emigrants' remittances. The region should control the police.

Palermo has been quarrelling with Rome over the vacant appointment of Director General of the Banco di Sicilia. According to the statute the region has a say in his nomination, but the region alleges that Senator Andreatta, in Rome, prepared to go ahead with the nomination without consulting it.

Signor Salvatore Natali, Assessor or regional minister for tourism and transport, is staying at Rome on two counts. For two-and-a-half years in the early 1960s Taormina had a casino, which was shut by the police on the grounds that games of chance are forbidden in Italy, with the result that Sicilians go to Malta to gamble. Yet casinos function in San Remo, Venice, Saint Vincent and Campione (an Italian enclave in Switzerland).

Either the central government should close these, too, Signor Natali says, or it should allow Taormina to reopen.

Of course, Signor Natali says, he has the power if he wants to reopen Taormina. The police would presumably move in and close it, as they did before. But then the regional premier, with his already mentioned authority over the police, could order them to desist. They would then obey, Rome or Palermo?

Signor Natali, a Republican like the central government Prime Minister, Senator Giovanni Spadolini, does not wish to rock the boat with an open conflict which could have constitutional repercussions, but he is also not averse to some further pin pricks at Rome.

Signor Natali is also at odds over non-observance of an article in the region's statute giving it a say in fixing air and sea fares by public carriers to Sicily. Rome's disregard, he says, has led to the ridiculous situation in which it is cheaper to fly from Rome to Malta or Tunis than from Rome to Catania.

Sicily's autonomy goes further than that of the ordinary regions into which most of Italy is divided. It has authority over industry, which in ordinary regions remains under Rome. It gives permission for the opening of branches by banks, and issues exploration permits for oil and minerals on its territory, but not offshore, which remains the prerogative of the ministry of industry in Rome.

The new regional government, a coalition of Christian Democrats, Socialists, Social Democrats, Republicans and Liberals, was formed in August, after elections in June. On paper it rests on a solid majority of 64 out of the 90 seats in the assembly. But Sicilian politics are treacherous and the party whip cracks feebly, with the result that governments tend to have a shorter life even than in Rome.

The government needs a long spell in office, however, for not only is there past leeway to be made up, but the mood of change will impose new problems.

Besides the feeling of Sicily's increasing international relevance there is movement in other sectors. In the economy, feeling is turning away from big public bodies in favour of private initiative, especially on the smaller scale.

The cooperative movement is flourishing. Industry will be offered a plentiful new source of energy, Algerian methane. Agriculture may be stimulated by the introduction of the soya bean.



A fish market in Palermo: fishing is one of Sicily's major industries

Where partnership flourishes

by a Special Correspondent

Few Western governments have a Ministry for Co-operation, but Sicily comes near with an Assessorato, the equivalent of a regional level, for co-operation, commerce, crafts and fishing.

In spite of Sicilians' image as individualists, reserved and disinclined to work with their neighbours, the cooperative movement has old roots in the island. Cooperation used to be under the Ministry of Labour, but in 1978 it was split to give it a new impulse.

Sicily is Italy's biggest wine producing region and, according to Signor Ugo Lombardo, Director General at the Ministry, 85 per cent of output comes to the market through cooperatives.

Usually vineyards are owned by farmers, who are associated for bottling and distribution. They have suffered severely this year in the wine war with France, whose Socialist government has stopped shipments from Trapani and Marsala in Western Sicily to the Midi.

This is regarded as a serious breach of European Community regulations, and the Sicilians have been pressing the central government to put their case more forcefully in Brussels for the restoration of free trade with France.

Other important sectors for cooperatives are building and early season fruit and vegetable production around Ragusa and Marsala. Altogether, Sicily has 1,380 cooperatives with 52,099 members. Of these, 516 are cooperative with 21,164 members are in agriculture, 37 with 9,855 in retailing, and 262 with 6,042 in building and industry.

Most are affiliated to one of the three main movements: Catholic, Communist-Socialist, and Republican — which in practice collaborate without mutual antagonism.

A network of regional laws exists for the promotion of co-operation, and since the 1950s there has been a regional institute for cooperative credit to provide cheap finance. Large operators, as well as small men, have taken advantage of this and the financial success behind the formation of new cooperatives are not always crystal clear.

While the movement, as a whole, is expanding particular difficulties are being met in launching fishermen's cooperatives, in which boats are often jointly owned.

Altogether, 712 seagoing vessels are registered at the south-west Sicilian ports, of which 370 are based at Mazara del Vallo. The Mazara fleet officially declared a catch of 75,900 tons last year, though officials say more than 100,000 tons were landed.

The best fishing grounds are off the North African coast. Periodically Mazara trawlers are arrested by the Tunisian or Libyan navies, their catches confiscated, fines levied, and crews sometimes given prison sentences. A fishing agreement with Tunisia expired in 1979, and the new agreement can no longer be negotiated bilaterally but has to go through the European Community.

The policy is to negotiate joint ventures with Tunisia and other North African countries in which cooperatives would play a leading role in the Italian side of the joint ventures. Some progress has been made in talks with the Tunisians, but it is difficult to overcome what an official described as the "personalism and egoism" of individual Italian boat owners.

The number of unemployed in January, the last available month, was 158,000 out of a workforce of 1,644,000. Yet this was 0.6 per cent less than in January, 1980, while the workforce had grown by 2.6 per cent.

The number of those leaving the island slightly exceeds those returning from abroad. The total workforce is swelled — nobody knows by how many — by Tunisians who come ostensibly as tourists, then stay to work unofficially with the Mazara fishing fleet, in the vineyards, and elsewhere.

Last year the gross regional product still managed an increase of 3.5 per cent in real terms, though this was less than the 1979 rise of 4.9 per cent. Professor Salvatore Buscemi of Banco di Sicilia, however, expects the 1981 figure to be more negative. The economic cycle, he points out, comes later to Sicily than

to other parts of the country, and the recession now gripping industry in the north is likely to be reflected in the island this autumn.

Tourism and agriculture both languish, though in the former sector a fall in foreign visitors has, to a large extent, been compensated for by a late summer inflow of Italian holidaymakers.

The task which the authorities have set themselves is to extend the season for foreigners throughout the winter or, as they call it, the "Sicilian Spring" from November to March.

In agriculture, citrus fruit as well as wine is a problem sector. One of the few operators to take measures to

meet growing international competition on export markets is the Rendo group of Catania. It has just completed a reconversion plan for the orange and tangerine groves on its 740 acre model plantation 15 miles outside Catania, claimed to be the biggest citrus fruit plantation in Europe.

Italy's share of European markets shrinks each year and, the farm manager estimates, is now no more than eight to nine per cent. Competition comes from Spain, Israel and Morocco — where United States capital has been invested — in all of which exist efficient marketing organizations whereas Sicily alone has 400 individual

exporters. But some of the ground lost in citrus fruit could be regained with the soya bean, so reducing dependence on the United States. The Rendo group has been growing soya in Sicily experimentally for the past three years and Signor Ugo Rendo, son of the chairman, claims that results show its introduction is perfectly feasible.

Critics maintain that the quality would not be that of the American plant and that water supplies would be insufficient. This the group contests, adding that Sicily has plenty of water, only much of it runs to waste as it is not collected and distributed properly.

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John Earle on industry's needs

Enticing the small entrepreneur

Efforts at industrializing Sicily, it is now generally admitted, have failed. Billions of lire have been poured into the island through government bodies like the Cassa per il Mezzogiorno, by the region's own agencies, and by big state concerns. To show for it, the island has some public service works — though the transport network is still inadequate — and a large number of firms which work at a loss. A disproportionate amount of economic activity, particularly in the West, is not generated by a spirit of initiative but depends on receiving public contacts.

Signor Rino Nicolosi, a Christian Democrat of the younger generation who became Assessore or Minister for Industry in the Government formed in August, admits that Sicilians have had their fingers burnt. It was a mistaken policy, in his view,

to promote giant petrochemical and chemical plants which, even if the oil crisis of the mid-1970s had not upset all financial projections, always threatened to remain white elephants providing few local jobs. The oil-producing countries would in any case have tried at the first opportunity to engage in their own refining and downstream activities.

Equally mistaken, he maintains, is the traditional view that Sicily's future lies with agriculture and tourism. Given the island's position in the centre of the Mediterranean, its climate like California, and the forthcoming availability of Algerian methane, it should have good prospects as a manufacturing centre. He wishes to promote sectors such as light manufacturing, agricultural industries, fine chemicals and electronics as well as re-

search. Among advance guard activities, there is already a pilot plant, financed with a contribution from the European Community, for producing electricity from the sun's rays at Adrano near Mount Etna.

Hitherto, Signor Nicolosi says, the authorities have completely neglected small and medium private industry, which should be a backbone for the economy. The tendency, therefore, will be away from the gigantic state or parastatal concerns, and towards the smaller entrepreneur. To help him, concessional financing will have to be made available much more swiftly and efficiently than hitherto by the Cassa or, when its mandate expires in a few months, by the development agency which is expected to succeed it. But above all, Signor Nicolosi plans legislation to offer the entrepreneur a range of regional services, in consultancy, informatics, promotion and marketing, help with the standardization of products and the like.

In due course he hopes to attract the foreign investor from the Western world. Two years ago, he recalls, the late Signor Piersanti Mattarella, the Regional Premier, visited West Germany for this pur-



Palermo Cathedral: magnet for tourists

pose not long before his assassination. Signor Nicolosi wants to take up where Signor Mattarella left off. Attempts at economic penetration by Libya, incidentally, are reported to have already been made and to have been rebuffed, for fear of the political implications.

The move towards smaller private initiatives is partly a reaction to the dismal record of the agencies and industries under the region's control.



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SICILY — CENTRE OF ATTRACTION FOR FINANCIAL OPERATORS AND TOURISTS

The Agricultural transformations and the arrival of Industries — The relationships with the European Community and the African Countries of the Mediterranean.

Sicily, which in view of its long-standing special features of culture and history is recognized to be an Autonomous Region with special status being without an international policy, which is outside its competence, feels the need — as was asserted recently by Mario D'Acquisto, President of the Region — to make its presence felt in a more precise and decisive manner with the bodies of the European Economic Community and the Mediterranean Countries. Not only with the latter but in particular those who are already members or who are about to become members of the community, there are many questions in common and therefore Sicily is induced to accelerate the timing of all agreements which are possible on the commercial, cultural and social level in order to lay down the bases for a policy in the Mediterranean area where Sicily will play the greatest possible part in protecting its interests and rights.

As President D'Acquisto stated, the Mediterranean nature of Sicily from the aspect of geographical conditions is a value which it considers with great enthusiasm, developing any useful contact and initiative which is effectively worthwhile. The most incisive presence with the EEC bodies not only means greater effect whenever the interests of the island are involved, but will serve to make better known the new Sicilian reality originating from 34 years of Autonomy.

It is known that Tourism plays a primary part in Sicilian economy, supported by adequate policies and appropriate public aid which has made possible an increase in the infrastructures so marked as to encourage and maintain a

touristic influx of exceptional importance not only from Europe but also from other continents. Current regional laws provide businessmen with the best financial conditions for investment, including foreign investment.

But Tourism is not the only hinge pin of the Sicilian balance of payments: great prospects are offered by Agriculture, Industry, Trade and Fishing. The Region has already done a great deal to bring the Agricultural sector to an impressive level and despite this it is strengthening and developing the theme of the central nature of Agriculture within the Regional Economic Policy. The programme provides, in addition to individual action in sectors, a development strategy which allows for a definitive replacement of the old traditional agrarian organization — uncertain and slow in innovation — by a new managerial organization which produces for the market, knows how to achieve increases in output and quality of products, and takes care of the handling, preservation and processing of the production, protecting them from the tyranny of the market and the seasonal nature of prices. This is why the Sicilian Region has assumed a strong financial commitment, making capital available to Agricultural Co-operatives for plant and services and also a modern business organization, simultaneously investigating with national public bodies operating in the foreign trade sector — structures suitable to provide better placing of Sicilian production on the foreign markets.

Substantial results have already been obtained, if one considers the success which Sicilian

agricultural products, with wine taking first place, have achieved throughout the world both in view of their genuineness and the modest prices.

Industry as well, although operating in an area which is predominantly agricultural, has found a worthwhile market which will certainly extend further.

Like the other southern Regions, Sicily has claimed entitlement to the benefits of the Industrial Incentive Policy and also the devising of a new type of incentive which, progressing beyond the traditional incentives based on financial facilities, offer real services, capable of lowering, rather than the cost of industrial plant, the management costs affecting the life of the business.

This is why Sicily is conducting a policy offering areas which are fitted out and the use of services suitable for the essential functions of business such as the acquisition of stocks, the marketing of products, the supply of electricity, water and purification.

With this policy, the Sicilian Region is aiming at opening a dialogue with those who, even abroad, wish to invest their capital in the island for productive purposes.

The Regional Policy within the framework of the touristic, agricultural and industrial development takes the matter of transport into full account. President D'Acquisto, illustrating to the Sicilian Parliament the Government Programme, stressed the commitment towards the acceleration of timings for the bridge over the Messina Straits and a policy for action in port and airport matters, effectively meeting Sicilian requirements. A problem which cannot

be postponed is troubling Sicily: this is the problem of fishing in the Mediterranean, made acute by the serious tension existing with the African coastal countries and the failure to renew an international agreement. The European Community has been called on to intervene in the dispute with these countries but nothing positive has so far been achieved.

However, the Region is investigating new forms of support, compatible with community legislation, whilst a more definite Sicilian presence in that connection is being prepared within the ample framework of the multi-lateral negotiations which are taking place inside and outside the States.

Those which we have illustrated are merely a few outstanding points of Sicilian Autonomy. Much has been done and much remains still to be done, but there is no doubt that the largest island in the Mediterranean, with its sun, its climate, its unequalled cultural assets, its agriculture and its industries, constitutes, and will do so even more, the centre of attraction both for tourist influxes and for financial operators — not only English and European in general but from most of the Countries in the World, renewing and further upgrading the role of hinge and bridge between various cultures which history has entrusted to it from the birth of the first civilizations — a role which is now being reinvigorated by the central nature of the island in relation to the emergent Countries of Africa and the natural tendency of the European Community towards the South.

Issued by the Press Office — Sicily

Four offshore oilfields

In the pipeline

The names Nilde, Milla, Perla and Vega as yet mean little to Sicilians, but for those in the business they represent one of two significant developments that are putting the island on the international energy map. They are all oilfields, producing or regarded as commercial, off the shores of southern Sicily.

The other development is the forthcoming arrival of large quantities of natural gas from Algeria through the Transmed pipeline, a bold technical venture which registered a world record in pipe laying, in the Sicilian Channel from Tunisia, down to a depth of 608 metres (1,994 ft).

The four fields so far located are not another North Sea. Their extent is limited. But even if Nilde, which Agip of the state-owned ENI group is now bringing into production after a false start, can reach an annual output of one million tonnes this is important for a country which produces only about 1,500,000 tonnes and has to import virtually all its needs. Lying 40 miles south-west of Marsala, Nilde is a partnership with the Shell group. Agip has also found oil at Perla half way along the coast, and is installing a platform in order to start production late next year.

The other leader in Sicilian oil exploration is Montedison, Italy's biggest chemical group. It is undertaking test production at Milla Field, discovered in 1978 only four miles off the coast south of Ragusa. Then at Vega, 16 miles off the south-east coast, it heads a consortium which has made encouraging finds but wishes to do more drilling before assessing the potential.

All this has led to an upsurge of interest among oil companies, especially as commercial discoveries have also been made off Tunisia, while the Maltese Government has allocated permits this year for exploration in its northern waters towards Sicily.

In the south, Sicilian offshore Conoco has been drilling a well, Palma Two, to follow up interesting shows from Palma One in 1975. Among other companies to take out exploration permits are Elf of France, Gulf, Hudson Bay, Canada Northwest and Fiat.

These permits are all for water depths of less than 200 metres (656 ft.). Recently the Italian Government has opened up the prospect of exploring the deeper parts of the Sicilian Channel, and as a first step has given the state company Agip exclusive rights for preliminary prospecting. Agip will have to make generally available the seismic and other data it collects, but will be able to cream off some of the most promising areas before general bidding opens.

More direct potential for the island's economy, however, is offered by Algerian gas than by Sicilian oil. This was foreseen years ago by the Sicilian authorities, who pressed for Transmed at a time when others thought they were talking not about a pipeline but a pipe dream. Transmed is now there. Laying of the last of the three 155 km (96 mile) lines across the Sicilian Channel was finished in January.

November will see completion of the 350 km (217 miles) across Sicily — rising to about 1,600 metres (5,250 ft) near Mount Etna — up to the Straits of Messina. From there the line goes up the Italian peninsula, to storage depots at Minerbio near Bologna, where it connects with the national network receiving gas from Italy's own fields and from The Netherlands and the Soviet Union. Altogether the distance from Hassi R'mel in the Algerian Sahara to near Bologna is about 2,500 km (1,550 miles).

The use of natural gas is nothing new in Sicily, which has been exploiting small deposits since the 1950s. Gas is already available from the mainland across the Straits of Messina pipeline for industrial areas in eastern and southern Sicily. But the great question is how the Algerian methane will be used.

When at full capacity, Transmed will bring 12,300m cubic metres a year. A year ago, ENI signed a contract of intent with the Algerians to increase this to 18,000m cubic metres. On paper, the arrival of plentiful energy could spur the economic take off not

only of Sicily but of the whole backward Mezzogiorno.

Sicily has obtained the right to 30 per cent, or about 3,500m cubic metres. Some will be useful for home heating and cooking. The ENI group is committed to laying branch lines to areas designed for industrial development. The gas would make an excellent source of energy for manufacturing activities such as ceramics and glass. But, as matters stand, there is not enough suitable industry for the island to absorb its allocation, and some will be diverted to fuel electric power stations.

A great debate is under way. The left wing opposition, the trade unions, and the cooperatives have accused the authorities of unpreparedness, so that, they allege, in the end Sicily will not take its full allocation but much will flow north for the benefit of already-established industries there. The last word has not been said but it is to be hoped that it will not be still another story of missed opportunities.

J. E.

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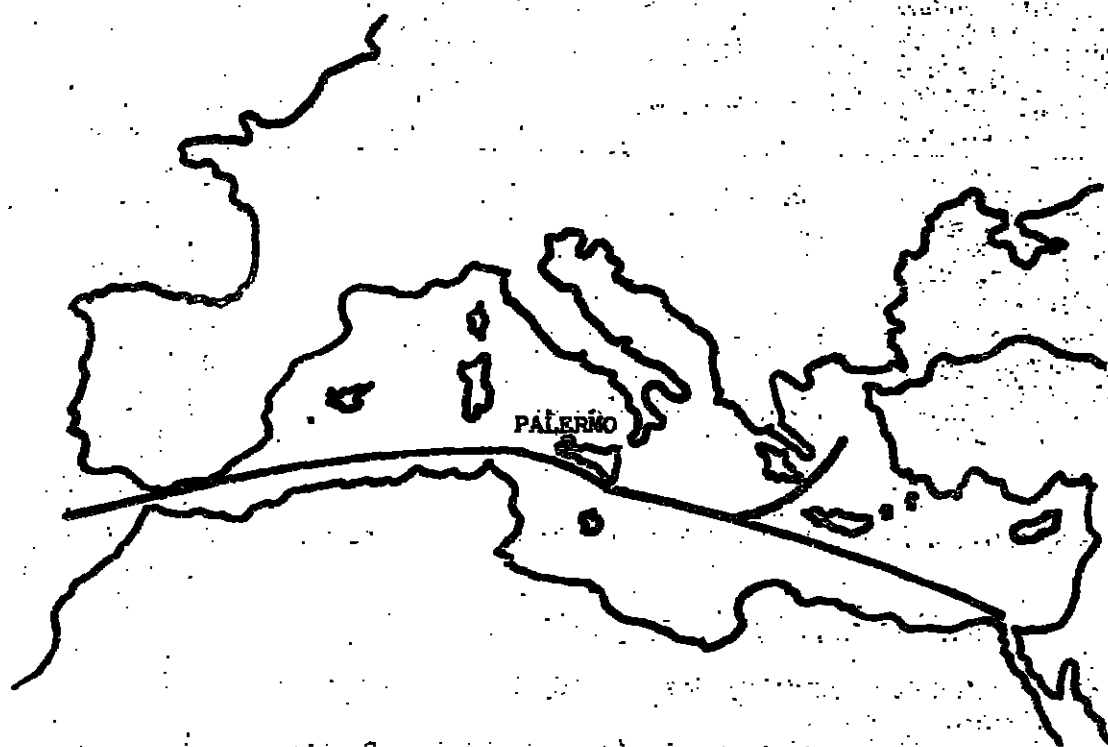
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Nicholas Wapshott discovers colonial legacies dating back to before the Greeks

Finding the real Sicily, and all the clues are there

The childhood impression of Italy, taken from an atlas or a globe, is that of a huge foot of land, booting the island of Sicily somewhere out into the Atlantic. And visitors to Italy will find that this childish wisdom is backed up by everything that is said about the island. Few Italians have anything good to say about Sicily. It is a barren place, devoid of culture. The people are criminal and sly. The food is poor, the wine is worse. The climate is too hot. In short, Sicily combines all the bad things about the very south of Italy.

True, there are no splendidly verdant, poplar-lined pastures as there are in Tuscany. The food cannot compare to that in Emilia Romagna. There is nothing like the electric excitement of Rome, nor the intellectual rigours of almost everything in Florence, nor the sheer wonder of arriving in Venice.

But Sicily has more than enough to compensate and the very surprise of finding that Sicily is not what those on the mainland make it out to be is itself a genuine pleasure, adding to a visit the thrill of discovery.

Sicily is triangular, an island about a third the size of Scotland, right in the centre of the Mediterranean. It was once linked to the mainland at Messina, but since then has been separated by far more than the two miles of water which now divides the island from the rest of Italy.

Sicily is fiercely independent. But, as the largest island in the Mediterranean and a sailor's stepping stone on the way to everywhere, it has been colonized by every passing civilization. Each has left its indelible mark. The Phoenicians came first, then the Greeks, the Phoenicians returned under Hannibal, then the Romans arrived and

so on, via the Normans, until the last invasion, the British, arrived at a beach near Syracuse, ousting the Germans.

A visitor to Sicily soon notices the lasting effects of these empires. Everything he hears, eats or sees is an amalgam of very different cultures. The language is close to Neapolitan, but far from that heard in Tuscany. The food is unique, not the poor Italian food which the mainlanders describe but a form of cuisine of its own, strongly influenced by Africa, 80 miles to the south, using more oil in the cooking and a more robust pasta. The folklore and music is similarly unique.

The only clues to the separate cultures that make up Sicily are the buildings. By a happy fate, few empires were jealous of their predecessors and the local population did not desecrate the

monuments erected by their parade of masters.

The Greek amphitheatre carved into the rock at Syracuse is almost exactly as it was when it was built in the fifth century BC, except for a small Roman amendment. The Roman theatre there was built eight centuries later, an oval slightly smaller than the Coliseum in Rome, and is intact, although it would no longer hold water for staging naval battles as it once did.

The most magnificent legacy of the Normans is the Cathedral of Monreale, with gilt mosaics which rival those in Ravenna. As for the baroque period, the whole of Palermo is hung upon a baroque skeleton of streets which join at squares as magnificent as the Piazza Vigliena. And the town of Noto was entirely rebuilt after a baroque show-piece after the earthquake of 1693.

For the general sightseer, it

is worth remembering that the wealth of Sicily has, always remained in the cities. There has never been a grand country house life, as in most of Italy, nor even a respectable market town tradition. The main sights are usually just outside main cities, like the Valley of the Temples outside Agrigento — a line of magnificent temples, some still standing, others carefully restored.

A rare country visit — and something of a mystery — is the Roman Villa Casale outside Piazza Armerina. To call it a villa is hardly doing it justice, an indication perhaps of Sicilian reserve, for it is really a palace, discovered only within the last 50 years, dating from 4AD. It has the most magnificent mosaic flooring, showing scenes from a wild animal safari, a chariot race, a battle between giants — in all about 25 magnificently decorated rooms — which

were preserved by a landslide until excavations began in earnest after the Second World War.

Sadly, the villa, like many historic monuments in Sicily, is barely preserved. It is open to the glare of the sun, is regularly sprinkled with water to heighten the colour for visitors and is protected from the rain and the frost only by flimsy pegs.

Like the rest of Italy, the wealth of the legacy of art which the Sicilians have inherited is too expensive to maintain. At the same time, the progress which Sicily is making in industrialization — becoming a centre for oil refining and a beneficiary of the EEC regional fund which promotes industry in the places most distant from Brussels — means that the landscape and the historic monuments are in danger of fast expansion without proper planning restrictions.

The town of Syracuse, for instance, once a charming small harbour, is now a vast, sprawling city and most of the expansion has happened over the past 10 years. To the north of Gela is the most ghastly factory complex in a place which once boasted some of the finest beaches on the island. But only those who hire a car or travel by the arduous public transport system will meet the worst horrors.

A more genuine way to enjoy Sicily is to stay in the capital, Palermo, despite its reputation for street crime and violence. Nowadays, when the innocent art-lover can have her bag snatched in daylight outside a fashionable restaurant in Florence, the wariness that was once needed for a city like Palermo has become universally applicable.

Palermo at least exists for its own population and not for

tourists. By the way, most Sicilians can make themselves understood in English — or at least American, for there are few who do not have an uncle or aunt living in the United States. If you ask, they will point out the villa where Frank Sinatra's parents live.

As for the Mafia, it exists, although inquiries are met with a polite rebuttal. It is inconspicuous and seldom referred to — although Sicilians like to encourage the credulous foreigners with daring tales.

A good time to visit Sicily would be at the end of March next year. It will be exactly 700 years since the Sicilian Vespers, when the Sicilians rose against the oppressive rule of Charles of Anjou. One hundred years ago, Garibaldi visited Sicily for the celebrations, although he proved too frail to take part.

Bruno Roncarati traces the history of viticulture

A land floating on wine

The wine tradition of Sicily goes back at least to the period of Greek colonization, during which there were important viticultural developments on the island. Viticulture advanced further under the Romans but suffered a setback during the Arab occupation, on account of Muslim prohibitions against wine. Nowadays Sicily is one of the largest wine-producing regions of Italy, with an output of some 11 million hectolitres, equivalent to 24 million imperial gallons in 1980. The average production for the past five years has been just over 10 million hectolitres, some 22 million gallons.

A lot of this wine is sold in bulk and most leaves in tanker ships, to the consternation of French *vignerons*, some of whom made their feelings felt at Sète in August by pouring fuel oil into the tanks of a ship carrying Italian wine. Known in ancient times as *trincaria* because of its triangular shape, Sicily is the largest island in the Mediterranean. Grapes are grown on most of the island as well as on the minor islands such as Lipari and Pantelleria that fall within its jurisdiction.

There is little doubt that the most famous Sicilian wine is Marsala, named after the town by the same name in the extreme west of the island.

This fortified wine was first marketed by the Woodhouse brothers from Liverpool in 1773. John and William Woodhouse were seeking a source of soda in an area between Trapani and the small town of Marsala when they came upon a limpid white wine with an extraordinary vigour. They were inspired by the contemporary taste for fortified wine to experiment along similar lines. Soon they had captivated the imagination of many fellow Englishmen, including Lord Nelson, whose sailors appeared to share their Admiral's taste and greatly contributed to the popularity of the wine.

Woodhouse's example was soon followed by other Englishmen. Benjamin Ing-ham contributed notably to the success of Marsala by introducing rational cultivation of the vines and improving substantially its vinification and processing technology. John Whitaker also did his bit and by the early 1830s local interest had been aroused and Vincenzo Florio had set up a specialized winemaking establishment for Marsala, and was sending his wine around the world.

By the beginning of this century, more than one million gallons of Marsala were exported. A decline followed in the 1930s as a result of the sanctions imposed on Italy, a direct consequence of the Abyssinian War. Important markets were lost and this was particularly so of Britain, where Marsala had been most successful for years. In contrast the home market expanded and there was hardly a household in Italy where a bottle of Marsala was not to be found.

Various decrees to regulate the production of this wine were passed in the early 1930s, in 1950 and again in 1969, when Marsala became a wine of controlled Denomination of Origin. The area of production is in western Sicily, the province of Trapani and parts of the provinces of Agrigento and Palermo, one of the most heavily planted areas in the world.

Marsala comes in several types, all of substantially high alcoholic strength, ranging in taste from very dry to very sweet. The *vergine*, made by the solera method, is dry and as such makes a most pleasant aperitif. More debatable are the Marsala special with various flavours of banana, almond and egg, the latter reputedly having some invigorating qualities. Marsala

also plays a commanding role in the kitchen as it is often used to prepare such dishes as veal escalopes; the well known *scaloppine al Marsala*, as well as the famous *zabaglione*, a delicious, but very rich, sweet made with egg and sugar.

At the foot of Etna grow *carricante* and *cateratto* grapes that make Etna Bianco, a dry white wine of controlled Denomination of Origin (DOC), fresh, delicate, balanced. Chilled, it is tailor made for *maccheroni con le sardine*, a dish based on macaroni flavoured with a sauce of pine nuts, wild fennel, olive oil and cut-up fresh sardines.

Under the same DOC Etna a red wine is also produced. This is made almost entirely with *nerello mascalese* and is a warm, full, dry wine that can age up to some 15 to 20 years. In Sicily, DOC wines account for some 5 per cent of the total wine production. This may sound strikingly low, particularly so if compared with the 20 per cent of Veneto and Tuscany and yet, in Puglia, one of the largest wine producing regions of Italy, DOC wines account for only 2.5 per cent of the total production.

The national average is just over 11 per cent but we must not forget that the regulations disciplining the production of wines of Denomination of Origin was passed only in 1963 and that in any case this status would apply only to wines of substantial quality. While the Denomination of Origin status is certainly a reassurance for the consumer, not having such status does not imply poor quality. This is particularly so for branded wines.

One of such wines is Corvo, produced by the house of Duca di Salaparuta. The Duke of Salaparuta first started to make Corvo wines in 1824; they were named after his largest vineyards, situated at Corvo, near Casteldaccia, about 20km from Palermo. Both the white and the red are a blend of a number of grapes from a vast area of Sicily. They retail in Britain at less than £3 a bottle and are good value as they are of excellent quality and enjoy a good reputation throughout the world.

Other pleasant wines available in Britain are those of the Settesoli cooperative situated near Menfi; rather inexpensive, they too are a blend of different grapes from an area of some 7,000 acres and are simply known as *rosso*, *bianco* and *rosato*, all three followed by the words *di Menfi* — *vino da tavola*.

Of the dozen or so DOC wines of Sicily, the Moscato are quite prominent. Moscato di Pantelleria is produced on the small island of the same name, known as the pearl of the Sicilian Channel, quite close to the Tunisian coast. This is a sweet aromatic wine of deep golden colour made from the muscat grape, also available as a sparkling wine and a fortified wine, the latter under the additional heading *passito liquoroso*. Similar are Moscato di Noto, produced in the southernmost tip of Sicily, and Moscato di Siracusa, made in the south east, a more delicate and velvety wine produced in limited quantity.

To promote Sicilian wines, the Sicilian region instituted some years ago the Club Paladini dei Vini di Sicilia, of which there is an active British chapter. On the occasion of the celebration of the bicentenary of Marsala wine in 1973, the Venerable Sam Woodhouse, Archdeacon of London and Canon of St Paul's Cathedral, a direct descendant of the Woodhouse family, was made a Paladino.

Dr Roncarati is the author of 'Viva Vini', DOC Wines of Italy, Wine and Spirit Publications, London SE1. (£3.50.)

Sicily Treasure Island

A mere step away from Italy and enjoying the best qualities of the mainland, Sicily, nevertheless, belongs to a different world — or rather many worlds.

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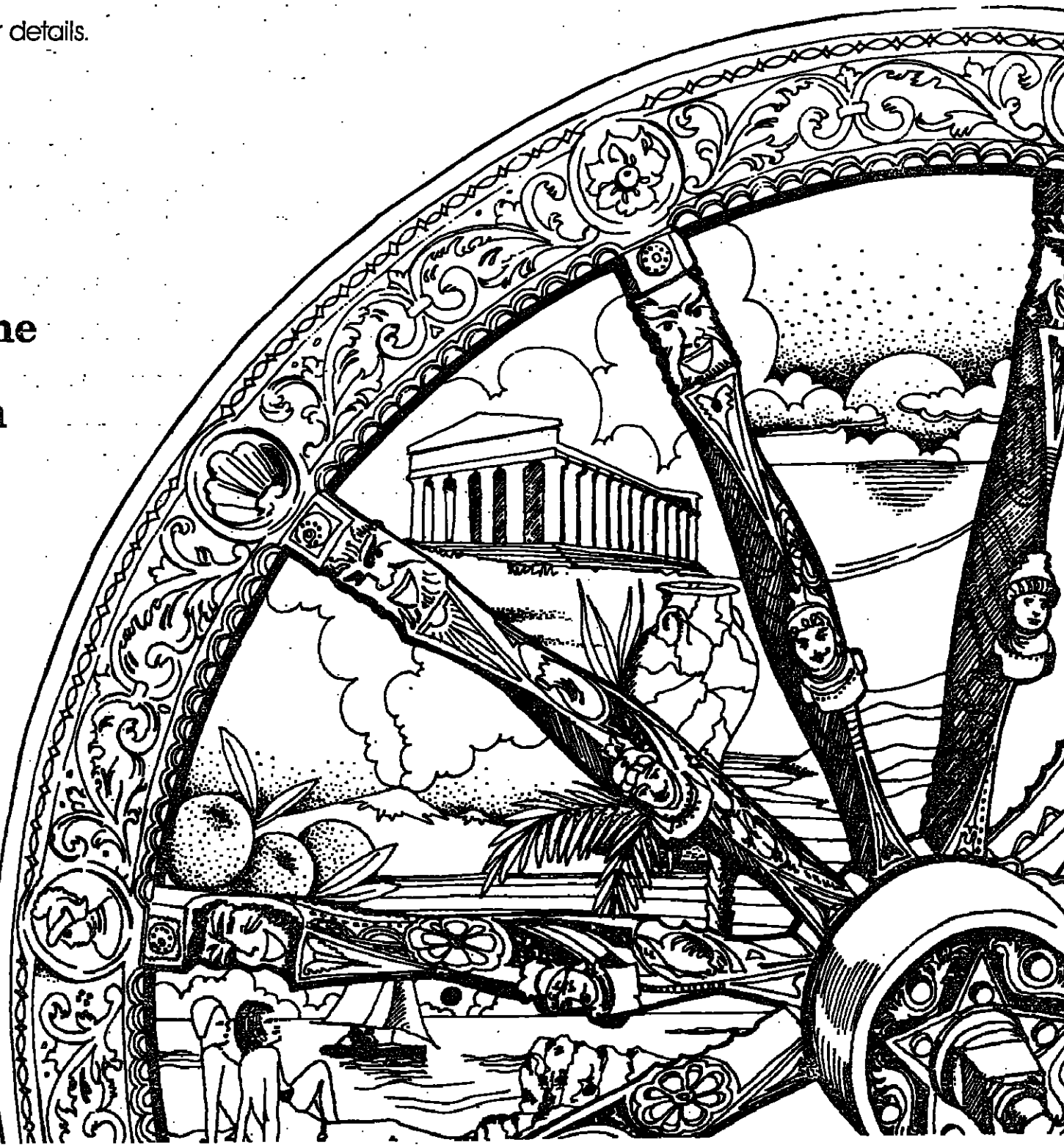
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Sadat, the courageous man of peace

by James Callaghan



Anwar Sadat and James Callaghan in Cairo in 1979.

In May, while my wife and I were the guests of Madam Sadat, I had a talk with the President about his future. He was, as always, straightforward and frank. He said that his term of office was due to expire in October 1982. He felt very well but said he did not have his former stamina. He had thought very carefully about whether to carry on.

His name was associated with so many projects, and there was so much pressure on him to continue, that he felt he would have to do so. He had recently taken over the responsibility of Prime Minister as well as President and I said to him that he could not possibly do both jobs indefinitely.

Surely he ought to give up the post of Prime Minister as soon as he could and emulate increasingly the method of President Tito if he were to continue as Egypt's leader.

President Sadat nominated a deputy prime minister, Fuad Mohamed, to preside over the cabinet and coordinate government policy. But it was clear that he was giving much more work to

Vice-President Mohammed Hosni Mubarak, whose wife is the daughter of a Welsh family from Pontypridd.

Now, in the light of yesterday's tragedy, Mr Mubarak will take over. He is a robust, soldierly, optimistic man who has concentrated on coordinating relations between the cabinet in Cairo and the governors of the provinces. He has also been Mr Sadat's chief link with the politicians in the party. He is a man of decision and if he is given the opportunity will, I am sure, do all he can to carry on the plans and projects the President had set himself.

But no one has the authority to replace Anwar Sadat. His simplicity, his calmness and his slight detachment from the day to day events which he cultivated enabled him to keep his eye firmly fixed on the long run of events.

He was a key figure in the Middle East. He held the Camp David agreement together, and that surely will be his permanent and lasting monument. I can conceive nothing more significant than the creation of peace between Israel and Egypt. From the

beginning I encouraged the Israeli Prime Minister, Mr Begin, and President Sadat to come to an agreement. History will record the great part that President Carter played in achieving this.

Of course there was great opposition from other Middle East states, but President

Sadat held firmly to his course and on more than one occasion he declined to criticize Israel publicly even when her actions infuriated the rest of the Arab world.

His attitude naturally aroused opposition among Egyptian politicians and I would not be surprised to see

Egypt moving slowly but surely towards a reintegration with the other Arab states, with the exception, of course, of Libya and Syria. This development will concern Israel very closely but my belief about the able men who lead Egypt today is that they will wish to sustain the peace agreement to recover the lost territory in Sinai and to continue to prepare a plan for Palestinian autonomy and eventual self-determination.

President Sadat's plan was that once the autonomy negotiations were concluded between Israel, the United States and Egypt that the plan should be left with Israel, the PLO and Jordan to implement. He was very much in favour of a simultaneous recognition by the PLO and Israel of each other. I believe Egypt will still wish to achieve this.

Secondly, in remembering what Sadat tried to do, I do not overlook his deep and sincere affection for the ordinary Egyptian worker and peasant.

In every conversation with me he emphasized that every Egyptian should enjoy social

security and full employment. He wanted desperately to improve the lot of his fellow countrymen and women. His death should give increased urgency to the talks between rich and poor nations to be held soon in Mexico.

I shall remember President Sadat as a simple, straightforward man, a good friend, a man who was happiest when he was with his family, and his grandchildren, who were always brought to see me when I visited him, a man who believed that the best interests of the Egyptian people would be served by peace and reconciliation in the Middle East.

He was a statesman who observed the world, and indeed on the last occasion we met he had his own opinions about the consequences of the rise of the Social Democratic Party in Britain.

Like everyone, he had his faults but he was a great and good man. His wife has great charm, intelligence and grace. I mourn for her and for Egypt.

James Callaghan was Prime Minister from 1976 to 1979. © Times Newspapers Limited, 1981

Henry Fairlie

How wise are Reagan's three wise men?

Washington

There is something deeply at fault with the American presidency at the moment, and the time of the final decision. And why not, it may be asked? Surely it is the advice of his trusted political lieutenants that a president needs at such a time and not the still conflicting opinions of the generals or admirals or even other departmental chiefs than the one immediately involved. By that standard the decision is political. The experts have spoken before, now raw politics must decide. That would be all very well if the lieutenants in the White House were genuinely political.

But more and more presidents take into the White House, and place around them, only the advisers who help them to win elections. It is therefore not political advice but electoral advice which they continue to get from their closest lieutenants.

Kennedy was surrounded by his Secretaries of State, Mr. Rogers and Mr. Kissinger, by his Chief of Staff, Mr. Mohr, and by his Vice-Chief of Staff, Mr. Casper. And the White House now is the electioneering firm of Messrs. Baker and Deaver.

If Lyndon Johnson is absent from that list, it is because his failures due to other and very specific causes. The permanent election campaign to which American politics is increasingly reduced is the ultimate cause of the weakening of American leadership, and the ultimate reason for that diminishing is the translation of electoral advisers into political advisers in the White House.

One could hardly find two more difficult politicians or Republicans than Senator John Tower, chairman of the Armed Services Committee, and Senator Charles McNamara, chairman of the Foreign Relations Committee.

The first is from the sun belt, the second from the frost. The first is a dandy right wing; the second is a mushy effective moderate. The first endures confrontation, the second avoids it. But one could not watch them this week, as each took on the President in open battle, without sensing the strength of the political terrorism from which they speak. One does not trifle with men who have firm ground beneath their feet.

What is out of kilter in the American system now is that the advisers in the White House seem to be men who have ridden a Carter or Reagan into office through the use of television and the close study of public opinion polls. But where is their territory? Voters are shifting ground. Politics is not only elections. It is where power lies after elections.

One could comb through the present White House advisers, as through those of Carter, and not find a man with any territory of his own. Who is the main White House adviser on domestic policy? One Martin C. Anderson, who determines political decisions by the election rhetoric of his president, which he helped to supply.

Who is the main White House adviser on foreign policy? One Richard V. Allen, who, as the head of the National Security Council, has no political credentials other than himself.

One hesitates to say it, but there is a "credibility gap" far beyond the mistakes of a Johnson or a Nixon about American leadership. The American presidency has no real political territory beyond its own fragile electoral support. It has no ballast. One is reminded of Macaulay's pathetic words to his American correspondent, H. S. Randall, "Your constitution is all sail and no anchor."

No anchor, no ballast, no territory on which to fall back. © Times Newspapers Limited, 1981

is all; at least all that counts.

The three White House advisers who help the majority at the time of the final decision. And why not, it may be asked? Surely it is the advice of his trusted political lieutenants that a president needs at such a time and not the still conflicting opinions of the generals or admirals or even other departmental chiefs than the one immediately involved. By that standard the decision is political. The experts have spoken before, now raw politics must decide. That would be all very well if the lieutenants in the White House were genuinely political.

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No anchor, no ballast, no territory on which to fall back. © Times Newspapers Limited, 1981

My life has been the story of Egypt

by Anwar Sadat

In his autobiography, Anwar Sadat described his life as the story of Egypt since 1918, when he was born in the village of Mit Abul-Kum.

Everything made me happy in Mit Abul-Kum, my quiet village in the depths of the Nile Delta, even the cold water in the winter when we had to leave at dawn for the special canal that filled to overflowing for no more than two weeks, the "statutory" irrigation period, during which all land in the village had to be watered. I was obviously necessary to do it quickly and collectively. We worked together on one person's land for a whole day, then moved to another's.

The main thing was to ensure that at the end of the "statutory" period all the land in the village was irrigated.

That kind of collective work — which for other men, with no profit or any kind of individual reward in prospect, made me feel that I belonged not merely to my immediate family at home, or even to the big family of the village, but to something vaster and more significant: the land. It was that feeling that made me, on the way home at sunset, gaze at the evening scene with a rare warmth, recognizing an invisible bond of love and friendship with everything around me — the smoke rolling down the valley promising a delicious meal at the close of a village day, and a perfect calm and peace in the hearts of all.

I cannot say that during that early period of my life my political consciousness had matured or even taken shape. I shared the patriotic feelings of all Egyptians, of course. I took part in the demonstrations, the smashing of plates and the burning down of trams, and the chanting of slogans calling for the removal of Ismail Sidki Pasha and the reactivation of the 1923 Constitution — but I didn't even know what that Constitution really was.

I can say, however, that a certain feeling had struck root in me by the time I left school — a hatred for all aggressors, and a love and admiration

for anyone trying to liberate his land. I remember that in 1932 Gandhi passed through Egypt on his way to Britain. Reports of his struggles, past and present, filled the Egyptian newspapers and magazines. I was struck by his character and fell in love with his image.

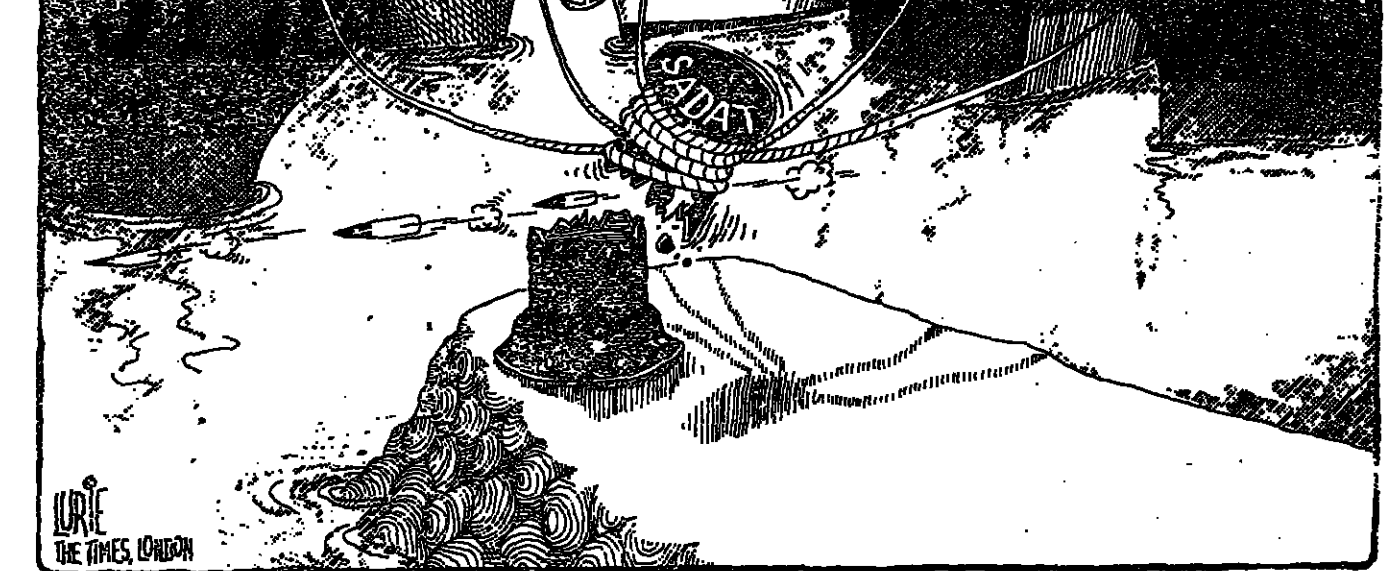
I began to imitate him. I took off my clothes, covered myself from the waist down with an apron made myself a spindle, and withdrew to a solitary nook on the roof of our house in Cairo. I stayed there for a few days until my father persuaded me to give it up. What I was doing would not, he argued, benefit me or Egypt; on the contrary, it would certainly have given me pneumonia, especially since it was a bitterly cold winter.

He described his first imprisonment by the British during the Second World War as follows: I passed through the gates of the Aliens' Jail for the first time on 26th Ramadan, AD 1942. Commonly believed to be the "Night of Power" mentioned in the Koran, the eve of the 27th Ramadan is a religious occasion which we observe in Egypt, particularly in rural areas, by serving a duckling, a goose, or a couple of capons (according to one's means) to break the fast.

The Aliens' Jail was reserved for cases connected with the war. Britain was fighting, and its governor was one Mr. Hickman, a British national of Maltese extraction. I went to my cell, which was on the first floor, and shortly afterwards, my orderly brought in some food. At sunset I performed the evening prayer, then broke my fast.

Until then I had felt more or less normal; I was hardly conscious of my sense of shock. Only when I had had my meal and smoked a cigarette (smoking being allowed, exceptionally, in that jail) was the full impact of the shock brought home to me. I felt utterly lost. What was I going to do?

On the death of President Nasser, it was obvious that Nasser forced himself to make the effort. When the Amir of Kuwait boarded his plane, Nasser could not move at all but simply stood stock still in front



On the launching of the Yom

of the aircraft, perspiring heavily and looking very pale indeed. He asked for his car to be driven right up to where he stood and take him home, which we did. I said goodbye to him on the understanding that we would leave for Alexandria the next day for a rest. I went home but before I could get any rest myself Nasser's private secretary rang me up to tell me that Nasser would call to have supper with me. I tried to get some sleep. But I was woken up, at 6.30 pm, and told that I had been asked to go to President Gamal's home for a very important reason.

I changed quickly and went to Manshiat al-Bakri. I was immediately shown into Nasser's bedroom. He was lying in bed, surrounded by doctors. They told me he had died an hour before. I lifted the bed-cover to see his face — it looked very much alive, as though he were simply fast asleep.

I put my cheek against his but did not feel the chill of death. I turned to the doctors and said: "It's not true... What you're saying is wrong... It can't be right!"

On the basis of the reports

submitted by Soviet agents before they left Egypt — that in any future war the air strike would cost the Egyptian Air Force no less than 40 per cent of its entire strength, and achieve no better results than 30 per cent. This estimate by the Soviet Union was meant to intimidate us and make us feel entirely unequal to the task.

They had no confidence at all in us, just as we had lost confidence in them. On his historic first visit to Israel.

My plane took off from Abu Suwayr airfield in the Canal region and, in less than forty minutes, landed at Lod airport. I was in Israel. Disbelief prevailed and people were practically stunned. The minute I stepped out of the plane, I found myself face to face with the famous counter-attack. "If you attempt to cross to the West Bank again," I told him, "I'll put you in jail!" "Oh, no!" he said, "I'm Minister of Culture now!"

The air strike, in accordance with the plan laid down, was a complete and stunning success. It surprised us in the first place by achieving 90 per cent of its targets; and it was equally surprising to Israel, and the world — both East and West. The Soviet Union had estimated — on the basis of the reports

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P.O. Box 7, 200 Gray's Inn Road, London WC1X 8EZ. Telephone: 01-837 1234

HE WENT TO JERUSALEM

Political assassination has become a regrettable commonplace in today's world, but the assassination of President Sadat must shake even the most hardened commentators from such grisly complacency. Not since John F. Kennedy died, nearly eighteen years ago, has the world been brutally robbed of a statesman so well known, or of one who had shouldered the burden of so many people's hopes. Sadat no doubt had more enemies than Kennedy. His murder is therefore less surprising, objectively. He was also, by most standards, a less powerful figure, the leader of a small impoverished country rather than of a superpower. Yet the sense of shock one feels is hardly less than it was then, and it is perhaps fair to say that Sadat has made a greater mark on the world in eleven years as President of Egypt than Kennedy was able to do in less than three years as President of the United States.

The Middle East conflict has a special resonance in the world, or at any rate in those parts of the world where the three great monotheistic faiths that have their origins there are followed. Almost everyone's emotions are engaged by it to some degree, whether through partisanship for one side or the other, or through compassion for the victims on both sides and shame at what is done in the name of faith, and too often in the name of faith, or at least through fear that conflict in the Middle East will sooner or later ignite a world conflict that could destroy us all. Almost everyone's imagination must have been caught, in some degree, by the boldness and grandeur of Sadat's gesture, in November 1977, when he broke twenty years of Arab taboos and went, in the full glare of publicity, to the house of his enemy, saying: "Let there be no more war."

Even in those Arab countries whose governments were loudest in condemnation of the "Trip of Shame" one could sense, at that moment, admiration for the courage of a man, however foolishly, who was prepared to ignore the risks and make a break for peace by the direct route; and even in the most sceptical Arab commentary an undercurrent of willingness to be proved wrong. But that moment was only a moment, during which the laws of the Middle East seemed to be suspended. Too soon the waters of the Red Sea closed again over the route to

the Promised Land, and the ordinary rules of double talk and cynical bargaining were once again in force.

Sadat was not exempt from those rules. But at least he made the attempt to rise above them. His lack of interest in detail was often the despair of his advisers and subordinates, but was perhaps the true mark of his greatness. The crudity of his pronouncements often embarrassed his more sophisticated countrymen, yet it often betokened a different kind of sophistication which in the end is more valuable. Sadat had an instinct which told him that in extreme situations half measures will not do. Having discovered that the Soviet Union was unwilling to help the Arabs achieve military victory over Israel, and unable to help them achieve a peaceful settlement, he drew the logical conclusion: the Soviet card had to be discarded. The American card had to be played, and everything had to be staked on it. The October war was necessary to make America take Egypt seriously; but once that had been done the important thing was to convince America that Egypt was a sincere friend, and sincere in her desire for peace, without mental reservations.

Similarly, once he had convinced himself that he had to deal directly with the Israelis, Sadat's instinct was to put all his cards on the table, to cut through the web of bargaining positions and outline what seemed to him an equitable solution for both sides. Unfortunately his Israeli hosts did not respond with the same degree of boldness and generosity. Mr. Begin's proposal of "self-rule" for the inhabitants of the West Bank and the Gaza Strip was imaginative in a technical sense, but was not calculated to seize the imagination of the Arabs in the way that Sadat's gesture had seized that of the Israelis. What was needed from the Israeli side, and what Sadat undoubtedly hoped for, was a recognition of the right of the Palestinians to exist as a people, in an independent state if they so wished, provided they were prepared to live in peace with Israel. If that gesture had been made, the broad sweep might indeed have carried the details along with it, as Sadat always felt it should, and multiple objections of all sorts might have been overcome. We do not know yet the precise motives of yesterday's assassins, but it is reasonable to think that the loyalty of the

Egyptian armed forces to their President would have been stronger if his peace initiative had borne the glorious fruit of a Palestinian settlement, rather than the somewhat inglorious one of a separate Egyptian peace.

Now Sadat is dead. But, for the moment, that is all. He has not been overthrown by a revolution, or even a coup d'état. The institutions he set up and the men he promoted remain, for the moment, in place. The great question is yet unanswered: how much of his work can be preserved, or carried on now that he has gone. Changes of detail there will surely be, and some of them will be healthy. One hopes they would include an amnesty for all those arrested last month against whom there are no specific charges of crimes of violence. That would enable the new government to start work in a clearer and freer atmosphere, with some hope of broadening its base of support. One must hope, on the other hand, that they would not include an abrogation of the peace treaty with Israel. Glorious or not, this remains vital to Egypt's interests and a beacon of hope for the rest of the world. Leaving aside the longer term questions, Egypt's immediate interest must be to convince the Israelis that peace does not, after all, depend on the life of one man, and so to give them no reason to delay the final withdrawal from Sinai which is due next April.

Beyond that, it is to be hoped the new government, not carrying the special, if undesired, odium attaching to Sadat's other Arab capitals, will be able to repair the breach that has opened between Egypt and most of the Arab world since 1977. There can be no doubt that both Egypt and the Arabs suffer from this, and that neither will benefit from a prolonged argument about whether Sadat was right or wrong. No Arab state, except perhaps Libya, is officially against any Arab-Israeli peace; and most Egyptians would like to help other Arabs achieve the kind of peaceful settlement with Israel that they want.

A comprehensive peace settlement in the Middle East, taking account of the rights of the Palestinians, is surely the memorial that Sadat would most desire to see built on his tomb. All those who admired his efforts for peace, whether in Israel, in the West, or elsewhere in the world, owe it to him and to themselves to strive to bring that about.

PATHFINDER FOR A YOUNG PRETENDER

Mr Edward Heath is an elder statesman who sounds too often like an aspiring politician. He deals frequently at an appropriate level of high seriousness with the national and international issues that ought to be preoccupying our own and other governments. His attachment to the European Community has been admirably forthright and unwavering. His concern for the problems of the Third World has been displayed not only in his membership of the Brandt Commission but also in the tenacity with which he has continued to press recommendations upon governments and public opinion. In his analysis of Britain's economic ills he has much of value to offer in terms of both critical comment and constructive suggestion, as his devastating speech to Conservative students at Manchester yesterday. Of all the Conservative voices that are warning against reliance upon rigid monetarist doctrines his is the most weighty.

Yet it is not the most dangerous voice that will come to Mrs Thatcher's ears because, although it may be the statesman who is speaking, it is the politician who is heard. That is certainly the case within his own party. In the country at large he may well have preserved his credit to a greater extent. But in

Conservative circles his words are largely discounted as the expression of personal frustration at his exclusion from power.

Whereas Lord Home earned a special place for himself in the affections of the Conservative Party by the readiness and loyalty with which he served under his successor as party leader, Mr Heath has never been forgiven for refusing to join Mrs Thatcher's team. From time to time there have been token reconciliations in public. Sometimes it has seemed that a reconciliation of substance, even perhaps some kind of partnership, might develop. But these hopes have always been dashed. The policy differences have been too great and the philosophies too dissimilar. Mr Heath's hymn to "consensus" last night provoked, even before it was uttered, Mrs Thatcher's blistering retort from the antipodes.

Mr Heath has never seemed fully to accept Mrs Thatcher as leader of the party, and she cannot fairly be blamed for failing to offer him a post in her Cabinet after she won the last election. Had she included him her administration would have been even more divided than it has been. The relationship would quite simply not have worked.

But because everyone knows that it would not have worked, and that Mr Heath

cannot therefore reasonably expect to hold high office again so long as Mrs Thatcher remains the Conservative leader, there is an understandable tendency within the party to assume that his criticisms of policy are motivated by personal calculation. It is widely believed that while he may speak as an elder statesman he is not content with that role. So whenever he launches an attack upon the government, no matter how forcibly reasoned it may be, there is an inclination among Conservatives to respond: "Well, he would say that wouldn't he?"

This means that Mr Heath is not the person best placed to lead a rebellion against Mrs Thatcher. But the substance of his criticism may nonetheless undermine confidence in her policies. He is expressing anxieties which are shared by many others who are known to be more disinterested. This time the Conservative reflex which brands him as disloyal will be struggling with a growing suspicion in some of the same minds that he is saying exactly what needs to be said. Mrs Thatcher may be able to shrug off his attack, but that will not dispose of the anxieties. What she has to fear is not defeat by Mr Heath in single combat, but that others will use the weapons he is fashioning to greater political effect.

New lap in the arms race

From Mr Michael Rubinstein
Sir, Some people say that Afghanistan would not have been invaded if it had had a nuclear weapon as deterrent. Perhaps, but on that view all vulnerable nations, however poor, should build, buy or be provided with a nuclear deterrent, no matter how unsound the regime, how wild or irresponsible its governors. Such nonsense does not merit argument. If peace depended upon the ability of economically weak nations to protect themselves against attacks by powerful ones it would always be hopelessly fragile. In reality it depends upon the fluctuating interests, actual or imaginary, of the powerful ones.

Your Defence Correspondent reports (October 3) that "Presi-

dent Reagan's decision to procure the Trident-D-5 missile will almost certainly prompt Britain to follow suit, adding at least another £1,000m to the Government's strategic weapons bill."

Everyone seems to agree that the current arms race is lunacy. Why then is not everyone in this country questioning what Britain is doing in it?
Yours faithfully,
MICHAEL RUBINSTEIN,
6 Raymond Buildings,
Gray's Inn, WC1.

Common Prayer Book

From Sir William van Straubenzee, MP for Wokingham (Conservative)

Sir, Mr Denzil Galvin is surely not right (article, September 26) in suggesting that it was the private

members' Bills promoted by the Prayer Book Society in the Lords and Commons which safeguarded "the regular use of the old prayer book for those who desired it". First, no such private member's Bill passed into law. Second, it was the Church of England itself which offered to Parliament through the Worship and Doctrine Measure, 1974, the guarantee that the Book of Common Prayer could only be abolished by Act of Parliament. This was freely proffered and gladly accepted. It seems ungenerous, to say the least, to infer that it was the Church of England who was anxious to abolish so incomparable a part of our heritage.
Yours faithfully,
W. R. VAN STRAUBENZEE,
House of Commons,
October 1.

Reselection of Labour MPs

From Mr Frank Field, MP for Birkenhead (Labour)

Sir, At last week's Tribune rally press were made for the newly elected National Executive Committee not to inflict reprisals on its remaining Benite members. This plea came a day or so after press reports of the drawing up of a "death list" against those MPs who would not vote for Tony Benn. In today's issue (October 5) you report that angry Tony Benn supporters now intend to try to increase their influence in the constituency where MPs have still to go through the reselection process. "The object will be to ensure that those opposed to Mr Benn's argument that the Parliamentary Labour Party should follow conference decisions and that MPs should be accountable to their local party do not get re-elected." Before any local party responds to this call I hope they will consider carefully what they are being asked to do. Such conduct might be, I am a long-time supporter of the need to reselect MPs, but recently the arguments about reselection have changed. It was originally presented as a way of removing incompetent and lazy MPs. Now reselection is being talked of as a way of remodelling the Labour Party into a vanguard party.

The advances we have made on existing party democracy will be put at risk if MPs are refused reselection because of their unwillingness to genuflect to a personality cult. Along with support for reselection I have always believed that MPs have a final court of appeal and that is the electorate. If in the coming months reprisals are taken against MPs with good constituency records I hope they will consider fighting by-elections rather than an alternative strategy of continuing the fight outside the Labour Party. If they fight as the sitting Labour members they should be supported by loyal members of the Labour Party which will, of course, include MPs. After they have been elected by the electorate they will apply to the PLP for the Labour Whip. And as each campaign may result in a new local party growing up around the MP it will be up to the new National Executive Committee to elect a new MP to the Labour Party and to support that local Labour Party which has gained the endorsement of Labour voters.
Yours faithfully,
FRANK FIELD,
House of Commons,
October 5.

Celtic courtesy

From Mr J. M. Bowley

Sir, In view of the space given to football hooligans, you may be glad to know that a crowd of Glasgow Celtic supporters boarded the Dieppe ferry on the evening of October 1. Instead of the crew bawling down the hatch and the passengers taking to the lifeboats, we witnessed, without exception, good grace, humour, kindness and consideration, the like of which I have not seen in 35 years of observing the behaviour of cricket, rugby and soccer supporters.
Relieved passengers, a pleased ship's crew and a delighted party of disabled children from Chalfey House can testify.
Yours faithfully,
J. M. BOWLEY,
10 Woodcote Green,
Fleet, Hampshire,
October 2.

Closed churches

From Mr Elystan G. Phillips

Sir, I am not prepared to speak for Suffolk, but Mr Peter Brooke (October 5) should try The Church in Wales.
Early in August I visited eight churches in Breconshire and Radnorshire to examine their Royal Heraldry. Though several of them were situated in remote places ("valent le détour") yet seven of them were open, and the eighth had a notice saying clearly where the key could be obtained.
Yours very truly,
ELYSTAN G. PHILLIPS,
Vine Cottage, Darsbam,
Saxmundham, Suffolk.

Staying afloat

From the Chairman of British Shipbuilders

Sir, Your article on September 21, "Can British shipping keep afloat?" made comments about British shipbuilding and a number of basic manufacturing industries which merit reply.
It was stated that UK shipbuilding has been "swept away since the war by superior manufacturing performance in Japan, Germany and some other countries" that UK shipbuilding has "gone down the drain".

If market share is the criterion upon which you assess the performance of the industry, as appears to be the case, it is hardly possible to hold up West Germany as a shining example since its market share fell from 19 per cent in 1955 to 3 per cent in 1980, a decline which matches that of the UK's. However, the statistics you use cloak the fact that many foreign nationalistic countries decided to build locally, causing a great increase in overseas building which reduced our proportion; we are now building about 33 per cent of the tonnage we built in 1955, which paints a slightly different picture. So we must look further for the explanation of why the shipbuilding industries of the UK, West Germany and indeed the rest of Western Europe have experienced this calamitous decline.
The answer is that from the early 1950s the Japanese shipbuilding industry set out to win a dominant market share by what

How SDP should choose its leader

From Mr Tyrrell Burgess

Sir, I hope Professor Rawlins (October 1) is wrong and that most SDP members will understand what the operation of this method could lead to a travesty of democracy.
Imagine, for instance, that a Social Democrat Prime Minister died or retired during his term of office. In that case I, as a party member, would have a vote in the election of the next prime minister of this country. My neighbour, who is not a member of the party, would not. What sort of democracy would that be?

Supporters of this method, I think, confuse party democracy with national democracy. They are not quite the same thing. A party may be as democratic as it likes, internally, and that is highly desirable. If, however, it then regards this "internal" democracy as a justification for imposing itself upon the democratic electoral system of the country as a whole, the results can be very far from democratic.

Only elected MPs, in this sense, have any mandate from the electorate as a whole to choose the country's political leader. For that matter, the leader of Her Majesty's loyal opposition. They are in a way an electoral college, ready for the purpose. A political party, unelected by anybody except itself, certainly is not.

Yours faithfully,
M. J. LYNCH,
9 Suckling Green Lane,
Codsall,
Wolverhampton,
October 6.

Independent schools

From Mr Laurence Norcross and others

Sir, We write as head teachers of secondary schools within the maintained sector of education. In a letter to *The Times* earlier this year, the Chairman of the Independent Schools Joint Council Advisory Committee wrote: "An attack on independent education would pose a threat to both academic freedom and individual freedom."

This indisputable fact would, we hope, unite people from both sectors of education in opposition to the Labour Party's current obsession with educational "privilege". The existence of an independent sector could well prove to be the most effective safeguard of the independence of the maintained sector. We have against future political control of education, from whatever direction it may come. We do not regard a state monopoly in the sphere of education as educationally healthy or politically acceptable.
It is simply not true that all parents who send their children to independent schools do so because they wish to buy privilege. Many do so, at great personal sacrifice, in order to obtain for their children the sort of schooling of which they approve.
Neither is it a question of

Polish claims to peace prize

From Professor John Hutchinson

Sir, It is said, in the current discussions on the Nobel Prize for Peace, that Solidarity leader Lech Walesa is too controversial a figure to warrant the award.
One demerit of the counsel of timorous men, not least in the light of the debatable neutrality or perfection of past honourees.

But here in Gdansk there is an answer, on the floor and platform of the founding Congress of Solidarity. Whatever the achievements of Mr Walesa — and they are enormous and should be acceptable — there can be no doubt that the gathering here in Gdansk is one of the most inspiring and portentous in trade union history.

There is nothing in the record of organized labour to compare in quality and scale and promise — and danger dared and overcome, at least so far — with what Solidarity has done. It has carried the lamp and the word of freedom as none before it.

Solidarity itself deserves the Nobel Prize for Peace.
Yours faithfully,
JOHN HUTCHINSON,
Solidarity Congress,
Gdansk,
Poland,
September 27.

No mere father

From Mr Peter Hoos

Sir, The paternity of Lady Diana Cooper has never been in doubt, and was fully acknowledged by herself. Mr Ziegler merely confirms this "fact" and names my great-uncle as her father.

To castigate Harry Cüst as a "noble failure" (review, September 24), to suggest that his only claim to fame is the paternity of a beautiful, witty and intelligent daughter is mediocre. Your reviewer obviously lacks knowledge of this era.
What of the Souls, who were the members of Wilfrid Blunt's Crabber Club? His editorship of the *Pall Mall Gazette* was cut short only by a disagreement over editorial freedom with his publisher.

I trust that Mr Hodgkin will read the definitive biography of Harry Cüst being prepared by Mr Paul Chipchase. This work will reveal the true strengths and weaknesses of Cüst, warts and all. The quotation from my godfather and cousin, the late Ronald Storrs, has been taken out of context.

Lady Diana has assisted Mr Chipchase with his research — and only shown pride, and happy memories of Harry Cüst.
Yours faithfully,
PETER HOOS,
Somerset House Farm,
Leicestershire.

Custodial sentence

From Captain R. Hamilton

Sir, Mr McCarthy's concern (October 5) at the influence of accommodation problems on custodial sentences is shared by many. But his conclusion that "expediency must never displace justice" is with respect, somewhat unrealistic.

Conviction is a matter of law, sentencing a matter of policy. Law is what wins in court; it is (or should be) ascertainable, and its outcome affected only by adequate and admissible evidence. Policy is susceptible to many subjective and abstract influences, of which "justice" and "expediency" are only two.

If there are no vacant cells, offenders cannot be imprisoned. Some would call this a victory for "justice", others would say that "justice" required the building of more prisons. Whatever the then Government's decision, one hopes that it would embody both principle and expediency.

Yours faithfully,
ROGER HAMILTON,
West Dean,
Salisbury,
Wiltshire,
October 5.

Baker Street irregular

From Mr R. M. Maxtone Graham

Sir, The facts mystifying your correspondents (letters September 19 and 25, October 3 and 5) would seem less singular if looked at in the plural.
Thus, Watson had two Christian names, John being the first and, presumably, Hamish (Anglicised James) the second. He married two wives, *seriatim*, not *bigamously*, and with a decent interval. He had two wounds, one in the shoulder, the other in the leg. Perhaps he had two calendars, one real and the other fictitious, to confuse his over-inquisitive readers.

As for the noble bachelor, he must have had two titles: "Lord Robert" by courtesy as younger son of a duke, and a barony granted to him *suo jure* and *vitae patris* as a reward for his public service as "Under Secretary for the Colonies in a late Administration". Elementary, really.

Yours faithfully,
ROBERT MAXTONE GRAHAM,
6 Most Sole,
Sandwich,
Kent,
October 5.

Trouble shared

From Mrs A. E. Mennell

Sir, Re your paragraphs about: "Costs rise for married Prince" (October 3); when we married in 1940, my doctor father merely said to us "Do remember that from now on a penny bun will cost twopenny".
Yours truly,
ANNE E. MENNELL,
23 Rowland Close,
Wolvercote,
Oxford,
October 5.

Letters to the Editor

From Mr Tyrrell Burgess

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It is simply not true that all parents who send their children to independent schools do so because they wish to buy privilege. Many do so, at great personal sacrifice, in order to obtain for their children the sort of schooling of which they approve.
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Incentives to employ

From Mr Roger Graham

Sir, There is an initiative which the Government could adopt to provide a fiscal incentive to employers to increase employment. It is simple, could be implemented with a result in saving to the Exchequer, and to my knowledge, has not been canvassed before.

The proposal is that relief against corporation tax should be provided by allowing a capital allowance for each net additional person employed in the United Kingdom during a company's financial year. I have in mind an allowance of about 60 per cent of the average wage (say, £3,500) for each additional adult person. There should be some lesser allowance (perhaps £2,000) for those under 18.

Such a proposal would complement the long standing capital allowances and the more recent stock relief allowances and be entirely consistent with the Government's key strategies. It would provide an incentive to business rather than the private individual, be particularly effective with small and medium sized firms, and encourage mobility of labour. It would actually reduce

home shipping and shipbuilding

industries.

It is a sad fact that in the United Kingdom there has been no co-ordinated and beneficial marine industry policy which is so evident in the more successful maritime zones.
The British shipbuilding industry is not yet efficient, but far from giving up the struggle, it is now one of the most competitive shipbuilders in Europe. We are energetically and successfully scouring the world for business and we have recently won orders for merchant ships and warships and oil rigs valued at over £600m from Hongkong, Philippines, Norway, Greece, Canada, Panama and Oman, in addition to valued orders from United Kingdom owners.

Our productivity and customer relations is improving, we are introducing new technology, and considering the industrial pressures of the last four years, when 20,000 jobs have been lost, our management/labour relations have been quite remarkable.

Last year we improved our financial performance by £100m at a time of the worst shipbuilding depression in 50 years. In short, we are seeking to create a future, first and foremost by our own efforts and based on merit.
Our workforce of 70,000 deserve to receive encouragement by recognition of their improved performance.
Yours faithfully,
ROBERT ATKINSON, Chairman,
British Shipbuilders,
197 Knightsbridge, SW7,
September 29.

Totally equipped to triumph.



THE TRIUMPH ACCLAIM

Introducing the new Triumph Acclaim.

The car that's totally equipped to triumph. On all roads. In all weathers.

Totally equipped to perform.

High technology light alloy 1335cc (70BHP) twin carburettor, transverse engine. Five speed gearbox.

Road-hugging steel-braced radial tyres. Tachometer. Electronic ignition. 0-60mph: 12.5 seconds. 30-50mph: 10.2 seconds (4th gear.) Max speed: 96mph. Dual circuit braking.

Totally equipped for handling.

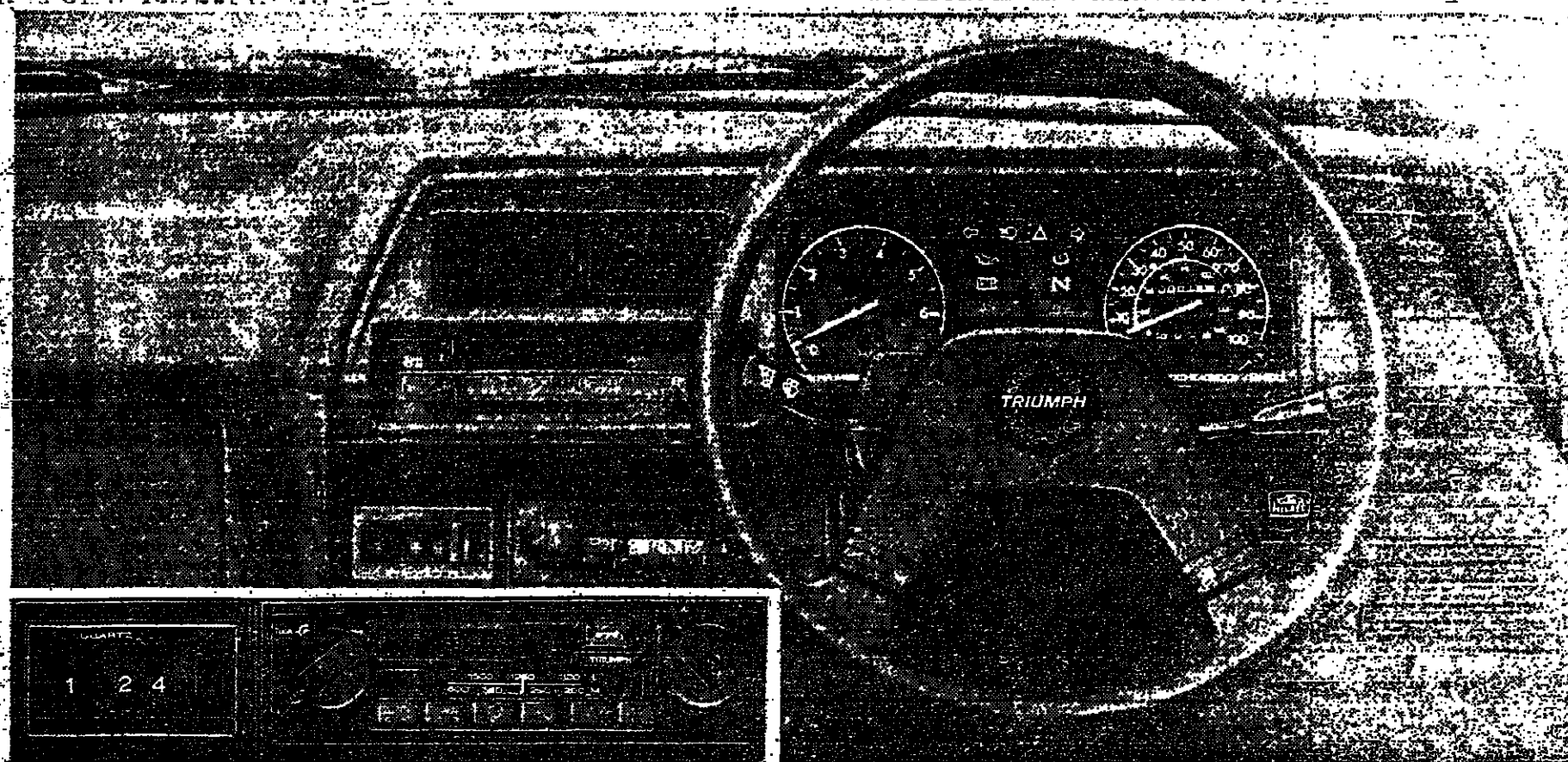
Responsive rack and pinion steering. Sure-footed front wheel drive. All round independent suspension.

Front and rear suspension springs offset for efficient low friction action. Front anti-roll bar.

Totally equipped for safety.

Teflon coated inboard hydraulic brake lines. Servo-assisted braking system with front discs. Brake fluid level warning.

Energy absorbing safety steering column. Safety steering wheel. Twin high intensity rear fog guard lights. Pressure jet



headlamp wash.* Laminated windscreen. Tinted windows all round.* Remote control door mirrors.* 90% all round visibility.

Inertia reel front seat belts. Halogen headlamps.* Independently fused headlamp circuits. Impact absorbing fascia. Head restraints.*

Ergonomically designed controls. Anti-burst door locks. Rear door child safety locks. Reversing lights.

Warning lamps: Boot open. Choke. Handbrake. Hazard warning lights. Rear fog lights. Direction indicators. Main beam. Low oil pressure. Ignition/no charge. Brake fluid level.

Totally equipped for driving pleasure.

Interior headlamp levelling control. Remote boot opening control. Extra storage compartment beneath boot floor.

Five speed synchromesh gearbox. The versatile Trio-matic gearbox (optional extra, only £299) for easy restful driving. Soft velour seating.* Fully trimmed doors. Push button radio. Stereo-cassette.* Four adjustable face level vents.

Electric windows all round.* Fully carpeted interior. Single key for doors, boot and ignition.

Boot hatch/picnic tray.* Digital clock. Cigar lighter. Illuminated instruments and controls. 6 component engine mountings for refinement. Double skinned bulkhead for quietness.

Totally equipped for all weathers.

Side window demisters. 3 speed air blending heater, with recirculation facility. Servo-assisted braking system with front discs.

High intensity rear fog lamps. Fully integrated air conditioning option.* 2 speed wipers. Intermittent wipe.

Electrically operated screenwash. Headlamp pressure jet wash.* Remote fuel flap release.* Halogen headlamps.*

Totally equipped to save you money.

On servicing: 7,500 miles between each service, (less than 12 scheduled hours in service bays in 50,000 miles of motoring).

On petrol: (five speed manual) Urban, 32.8mpg. (8.6L/100km); 56mph, 48.8mpg. (5.8L/100km); 75mph, 34.0mpg. (8.3L/100km); (Official D.O.E. figures). Two star petrol.

On depreciation: Proven, high technology paint process. High pressure cleaning of body shell before painting.

Seven stage phosphate pre-treatment programme. Cathodic electro-priming, ensuring total coverage by primer coat. Underseal. Two layers of undercoat. Two colour coats. Clear hard lacquer to metallics.

Plus corrosion preventive wax injected box sections. Plastic wheel arch inserts. Underbody wax coating after complete vehicle assembly. Double-skinned aluminised exhaust down pipe.

Acclaim automatically covered under BL's unique Supercover programme.

Totally equipped for your pocket.

Acclaim HL £4,689.

Acclaim HLS £4,989.

Acclaim CD £5,576.

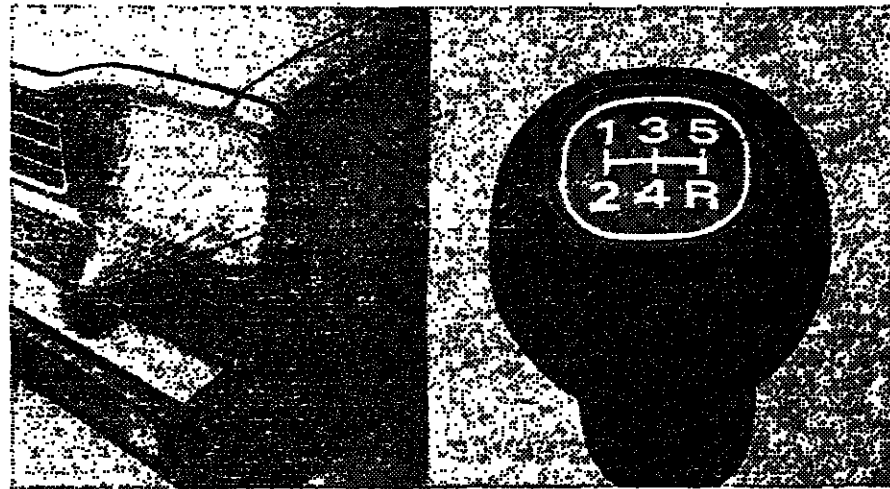
Five speed manual gearbox standard.

Trio-matic available only £299 extra.

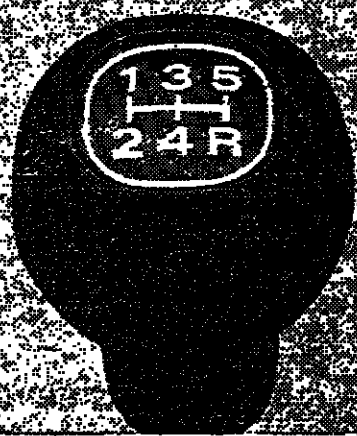
Now you've seen just some of the features we've put into the Acclaim, ask your local Triumph dealer for a test drive.

And you'll understand why we say the Triumph Acclaim is totally equipped to triumph.

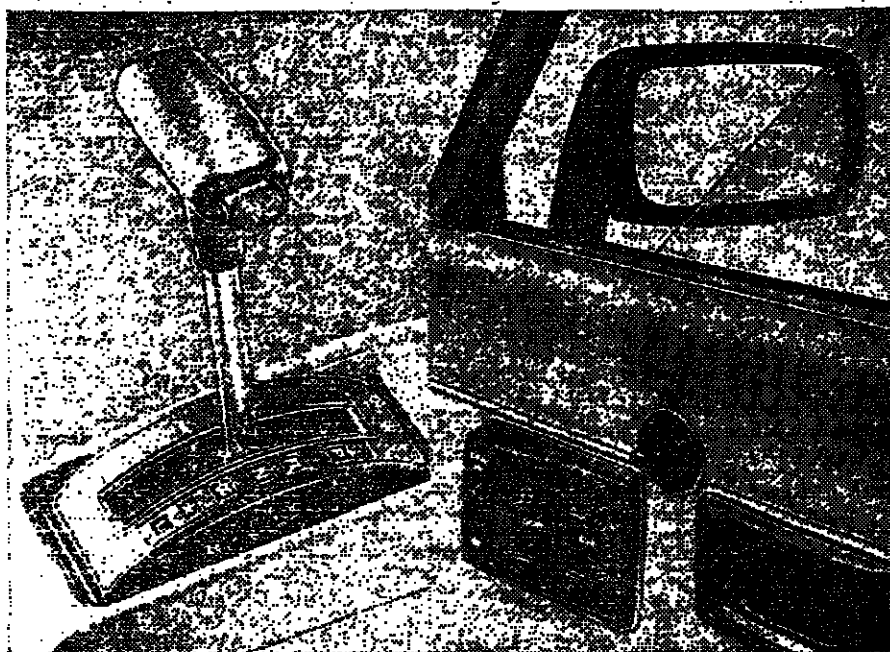
[†]HLS model. *CD model.



Headlamp wash standard on CD.

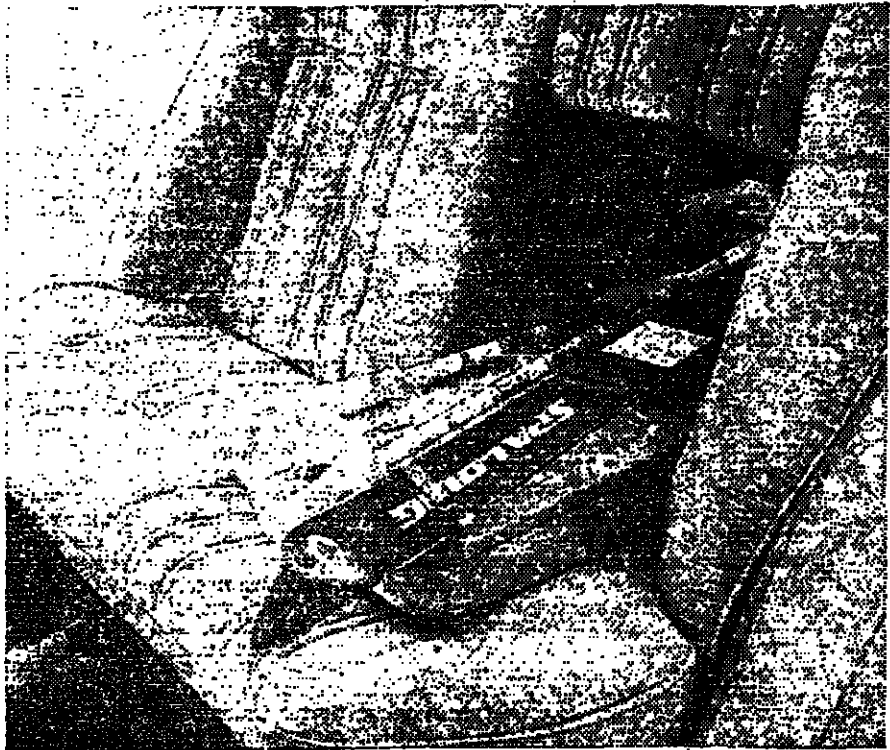


Five speed gearbox standard.



Trio-matic gearbox (optional extra)

Electric windows standard on CD.



Boot hatch/picnic tray standard on HLS/CD.

TRIUMPH ACCLAIM

FROM £4,689



Totally equipped to triumph.

Prices include seat belts, car tax and V.A.T. (Number plates, road tax, delivery and metallic paint extra.) For Fleet Sales information ring 021-779 4484.



COURT AND SOCIAL

COURT CIRCULAR

KENSINGTON PALACE
October 6: The Princess Margaret, Countess of Snowdon, as President of the National Society for the Prevention of Cruelty to Children, this evening attended a Reception given by the Manchester and Salford Branch of the Society at the Hotel Piccadilly, Manchester.

Her Royal Highness, who travelled in an aircraft of the Queen's Flight, was attended by Mrs. Stevens.

KENSINGTON PALACE
October 6: Princess Alice, Duchess of Gloucester, this morning opened the new Catechism Building of St Paul's Preparatory School (Cote Court), Barnes, SW13.

Miss Jane Ebertson-Warburton was in attendance.

The Duke of Gloucester was present this evening at a Concert in the Cathedral and Dinner in the Cuthbert, Worcester, attended by the European Communities Agricultural Ministers and members of the Special Committee on Agriculture.

His Royal Highness travelled in an aircraft of the Queen's Flight.

Lieutenant Colonel Simon Blund was in attendance.

HATCHED HOUSE LODGE
October 6: Princess Alexandra and the Hon. Angus Ogilvy were present at a Hongkong Gala Evening held at the Barbican Centre, London.

Lady Mary Fitzalan-Howard was in attendance.

The Duke of Edinburgh, patron and trustee of the Duke of Edinburgh's Award Scheme, will attend a dinner at the Mansion House in connection with the twenty-fifth anniversary on November 2.

Dame Geraldine Aves much regrets that she was unable to attend the memorial service for Dame Edith Youngblood on October 2 owing to indisposition.

A service of thanksgiving for the life of Sir Robert Cox will be held at St John's Church, Westminster, on Wednesday, October 14, at noon.

Memorial service

Mr D. Tyerman

A memorial service for Mr Donald Tyerman was held yesterday at St James's, Piccadilly. Canon Anthony Caesar officiated. Mr Robert Tyerman (son) read the eulogy. Mr. Tyerman was a member of the staff of the Ministry of Defence, and was killed in action in the Falkland Islands.

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Forthcoming marriages

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President Muhammad Anwar al-Sadat, who was assassinated yesterday while reviewing troops on the eighth anniversary of the crossing of the Suez Canal, was the son of a family which raised him to the stature of a world statesman, will be remembered above all as the first and so far the only leader of an Arab state to sign a peace treaty with the Jewish State of Israel. The two events were intimately connected, for without the self-sacrifice which the crossing earned both for Sadat and for his country he could never have taken his bold initiative for peace. He was 67.

Perhaps the most consistent feature of Sadat's eleven years as president of Egypt was the way his political skills were underrated by his opponents. Initially regarded as a stopgap figurehead, totally unqualified to fill the void left by Gamal Abdul Nasser's death, he first astonished political commentators in May 1971 when he carried through the deposition and arrest of a group of men generally assumed to have a much tighter grip on the realities of power than he did himself, and so he began to be seen as a man who was not content to be a puppet but was determined to take his own course.

His peace initiative was undoubtedly popular at first with the great majority of Egyptians (although badly received by most Arab governments), but by this summer his political benefits appeared to have been largely exhausted while Egypt's economic plight remained as dire as ever. Last month Sadat reacted to widespread criticism by ordering a series of arrests which did little to improve his reputation either at home or abroad.

Already before succeeding Nasser as President in September 1970, Sadat had a long career of varied fortunes. Born in 1918, he became a student of the Egyptian Army, but in 1942 was dismissed and interned on a charge of spying for Germany. Released at the end of the war, he was again imprisoned in 1945 on a charge of being implicated in a plot to assassinate King Farouk. At this time he had close connections with the Muslim Brotherhood. He was later pardoned and in 1951 was reinstated in the Army, but there continued his anti-verse activities and in 1952 was one of the nine members of the "Free Officers' Committee" which ousted King Farouk in a bloodless coup d'état and instituted a republic. He later became Director of Army Public Relations, and then editor of the official newspaper Al-Ghazal.

His political career, which began in 1954 by his appointment as a Minister of State, was at first unsuccessful, but two years later he was dropped from the Cabinet. In 1958, however, he became Secretary-General of the short-lived "National Union", and in 1960 when a National Assembly was instituted, he was elected its first Speaker. In 1961 it was dissolved, and he became Secretary-General of its successor, the National Congress, which was also appointed a member of Nasser's Presidential Council, with special responsibility for inter-Arab relations. He was thus closely involved in the decision to go to war in 1967, a decision which later was to cost Egypt dear. In 1964 he was promoted Vice-President, and immediately afterwards was elected Speaker of the reconstituted National Assembly.

In 1967 the defeat of Egypt by Israel in the "Six-Day War" created so much political confusion in Egypt as to lead President Nasser to make a determined effort to divorce the military from politics and to create a civilian chair of leadership which would enable the National Assembly to take a greater voice in the conduct of affairs. With this in mind, he asked Sadat to be elected to the Arab Socialist Union, the only authorised political party, and soon afterwards, to succeed Ali Sabri as Chairman of the Permanent (Coordinating) Committee of its Higher Executive Council.

He began well by relaxing the severity of Nasser's repression of opposition elements, and he pleased the war-weary majority by indicating that, in the continuing struggle with Israel, he intended to place Egyptian interests first, even to the extent of envisaging a separate peace or, as an interim measure, an agreement providing for the reopening of the Suez Canal. But these apparent withdrawals from previous Egyptian attitudes were bitterly criticised within the Cabinet and Army when the State Department, on whose initiative they had been taken, failed to extract any corresponding concessions from Israel; and the stresses so created were intensified by his announced decision in April 1971 to enter into a Federation with Libya and Syria. In May, therefore, in what was presented as a preventive coup, he dismissed one of his two Vice-Presidents, Ali Sabri, who was seen as the leader of a pro-Soviet faction, along with six senior Ministers, and the Commander-in-Chief of the Armed Forces, and a number of senior officers, of whom several were subsequently arraigned on charges of having plotted a coup d'état.

This severity consolidated his position for the moment; but in November 1971 severe student riots, calling for a head of State, were held in the city of Cairo, and Sadat's attempt to appease the malcontents by describing 1971 as "the year of decision" backfired when the year ended with no military or even political successes.

In 1972 when Sadat, disillusioned with the Americans, visited Moscow in an attempt to secure greater Russian military support for Egypt he returned almost empty-handed and with a conviction that the Russians were interested only in a political solution of the Arab-Israeli conflict; and that the scale of Russian military assistance was inadequate, a view widely held in higher military circles in Cairo. It nevertheless came as a surprise when in July 1972 he dismissed the Soviet military mission and cancelled the military and naval facilities which the Russians had built up in Egypt. But his criticisms of the United States for their continued support of Israel continued unabated and his action against the Russians was on the whole approved in the Egyptian press.

During the winter of 1972/73 Sadat was forced to take strong measures to deal with a wave of student unrest caused mainly by the absence of any signs of preparation for war with Israel; he caused a number of ringleaders to be expelled from the Arab Socialist Union and in March 1973 following further trouble, himself assumed the offices of Prime Minister and Military Governor-General. From that time onwards he made a series of moves evidently designed to come to terms with Arab leaders, notably General Nimeiri of the Sudan, and President Assad of Syria. He made up a long-standing difference with King Hussein of Jordan and invited him to Cairo, and most important of all, he visited Saudi Arabia and managed to persuade King Faisal of the need to adopt a policy of oil sanctions designed to force the Western Powers and particularly the United States to provide more support for Israel. He succeeded during the same summer in fending off repeated attempts by President Qaddafi of Libya to force an immediate merger of their countries.

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Bank reveals 2pc jump in money supply

By John Whitmore, Financial Correspondent

The Bank of England yesterday confirmed City speculation that poor September money supply figures were part of the reason why the authorities have not stood in the way of higher interest rates.

In the four weeks to September 16 sterling M3, the broadly defined money supply, is estimated to have risen by about 2 per cent, or almost £1,500m.

But the authorities are clearly hopeful that the new, higher level of interest rates will now help to rectify the position.

Yesterday morning they sold remaining supplies of the short-dated tap stock. In the afternoon they announced that a further £750m of stock was being made available to the market by way of further tranches (£250m each) of three Government stocks already in issue.

The September money supply figures were again distorted by the effects of the civil servants' dispute. On the occasions of bunched repayments of VAT, the September money supply is estimated to have added £500m-£750m to the central government borrowing requirement in the period.

This will not have worked through to sterling M3 on a strictly pro rata basis, however, since some of the refunds may have been used to reduce bank borrowing. As a result, market analysts were tending to put the underlying growth in sterling M3 at 11 per cent or more.

Although the overall result might not appear too unsatisfactory, if one allows for the month-to-month fluctuations in the levels of public sector debt sales—and they were probably low in September—it is clear

that private sector credit demand has remained relatively buoyant.

While the clearing banks reported a seasonally adjusted rise in their lending during September of no more than £500m, they added that VAT repayments may have been put to a temporary reduction in borrowing and suggested that some customers may have been borrowing elsewhere, following the initial rise in base rates.

In particular, there was probably an increase in bill finance as a result of the Bank's move to extend to certain overseas banks the facility of having their acceptances rediscounted at the central bank.

Overall lending to the private sector was, therefore, fairly buoyant still. Moreover, the fact that the Bank was probably draining money from the system in its increased support of sterling would seem to suggest that total domestic credit expansion may have been fairly high.

Sterling M3 has now risen by just over 10 per cent since February, the base month for the present target period. Given that VAT repayments could inflate the GBR by a further £2,000m in banking October, the Government will almost certainly need several months of monetary contraction this winter to get close to the top end of its full-year target range of 6-10 per cent growth.

The new tranches of Gilts being issued are: Treasury 12 per cent 1987; Treasury 12 per cent 1992; and Treasury 14 per cent 1998-2001.

Rise in interest rates dashes recovery hopes Industry forecast of worse to come

By Clifford Webb, Midlands Industrial Correspondent

The two increases in interest rates in the past fortnight have created such gloom among West Midlands industrialists that they are now forecasting a further sharp increase in unemployment, a deepening of the recession they had hoped was heading for recovery, and permanent damage to the country's industrial base.

Mr James Ackers, chairman of the West Midlands Group of Chambers of Industry and Commerce representing 10,500 companies said: "We are now talking about a downturn in manufacturing which will be greater than this country has ever experienced before."

The huge increase in interest rates had caused such widespread concern that he had felt it necessary to conduct an emergency survey of industry's reaction. This had shown that the returning confidence reported in the Group's September quarterly survey had been completely dashed.

"The feeling is that we are now back to where we were in November 1979 when interest rates shot up from 12 to 17 per cent, beginning the present recession. Companies which were struggling to hold on to labour will now be forced to let it go. Factories which were being mothballed will now be

stripped and sold with permanent loss of capacity", he said. The West Midlands Group of Chambers represented the biggest regional body reflecting industrial and commercial life in Britain. As such it had tried to maintain close contact with the Government.

"There is no shortage of discussion with the Government but they are not an easy government to talk to. They listen but they do not react", he said. The West Midlands was clearly in for an even tougher time than it had experienced over the past two years.

Mr Ackers, who is a prominent member of the Conserva-

tive Party and former national chairman of the Bow Group, said: "We frankly cannot understand the Government's economic policy or thinking."

A similar stinging attack came from a second West Midlands body yesterday. Mr Chris Walliker, the regional chairman of the Confederation of British Industry, said that companies were reporting a loss of permanent capacity in steel-making, foundries and the many forms of metal manipulation which figures so prominently in the region, so serious that many feared they would not be able to meet the demands of a recovery.



Pilots at work off Gravesend yesterday: Whitehall suggests small coastal ships do not need them.

Trinity House to review piloting plan for small ships

By Michael Bailey
Shipping Correspondent

Trinity House is to re-examine its proposals to make compulsory the piloting of small coastal vessels, after a warning that the Government may not give approval.

Fears have been growing among operators of small coastal vessels that the proposals, if implemented, would drive them out of business.

Mr George Holloway, of Bell Lines, a leading London coastal shipowner, gave warning this week that the proposals could destroy trade on the Thames.

"We are in danger of finishing up in London with almost as many pilots as it

took to win the Battle of Britain", he said.

Trinity House proposals would add £1 a ton to freight costs and impose a serious burden on London's west-coast industry with less trade and fewer jobs.

The Pilots Commission, set up to advise the Government on pilotage matters, has been warned by the Department of Trade that the Government would not favour any proposal that would add significantly to the cost of United Kingdom coastal and near-continental shipping.

Inviting the commission to look again at the proposals, the Department indicates that some kind of fund to reduce the surplus of pilots—believed to be 350-700 out of a total of 1,600 around the British

coast—would be preferable to foisting expensive pilots on ships under 3,500 tons that do not need them.

This idea is also meeting strong shipowner resistance however in talks taking place between the commission and the General Council of British Shipping.

"There can be no question of redundancy because the pilots are self-employed people", the GCBS said last night. "No ship can be compelled to stop offering its services, nor can shipowners be responsible for a loss of trade to self-employed people. One might as well suggest that if the house market drops, house-owners should contribute to a redundancy fund for estate agents."

Assassination sparks off chaotic scramble for gold

By Our Financial Staff

News of President Sadat's death caused chaos in the international financial markets, as share prices tumbled and investors scrambled to switch their funds into the dollar and gold, the traditional safe havens at times of world upheaval.

First reports of the attack started a hectic wave of buying of dollars and gold. Prices subsequently fell in nervous trading with conflicting reports of President Sadat's condition.

But confirmation of his death in the late afternoon sent the foreign exchange and bullion markets into a frenzy, notably in New York.

Dollar and gold prices soared in the space of a few minutes. Foreign exchange dealers described the reaction as one of pure panic. One bullion dealer said the New York market had "gone bananas".

The dollar, which had opened lower as dollar interest rates eased further, jumped from DM2.22 to DM2.25 on first news of the attack, then fell to about DM2.24. But within minutes of news of Mr Sadat's death, the dollar shot up by 4½ pennings to DM2.25 as dealers marked it up in response to a flood of buying inquiries.

Little business was done at these levels before the dollar plunged, almost as quickly as it had risen. It finally closed in London at DM2.25, up 2.40 pennings from Monday.

The pound, which fell to \$1.8350 at one stage, finished London trading at \$1.8490, down 50 points on the day. Its strong performance reflected fears that the Egyptian situation could jeopardize Middle Eastern oil supplies.

Gold soared to \$458½ on news of Mr Sadat's death, which came at the end of the London fixing. Gold closed in London at \$450 an ounce, a gain of \$7.25. In New York, it closed at \$451 an ounce, up \$15.50.

The assassination upset an already nervy stock market in London, and share prices fell back sharply yesterday as sellers came in.

Only oil shares moved up, however, on fears of fresh disturbances in the Middle East. The FT Index fell 15.4 points to 475.0, giving up all of Monday's good rise.

Nervously-awaited money supply figures were overshadowed by the news from Egypt in the afternoon.

How BP is fighting world oil glut

By Rupert Morris

Reducing stocks and diversifying sources of supply are two of the ways British Petroleum is overcoming declining demand for oil.

Dr Walter Kirsten, managing director of BP Oil International said in London yesterday that stocks had been reduced from 26 million tonnes at the beginning of the year to 21 million tonnes, making a £700m improvement in cash flow.

BP was changing its supply pattern dramatically, so that more than two-thirds of its crude buying was from non-members of the Organisation of Petroleum Exporting Countries, he said.

Contracts with Libya and Nigeria had been suspended,

and contracts with Iran terminated. Dr Kirsten said, BP was also discussing contract arrangements with Kuwait.

"Our aim is increased flexibility to adjust ourselves if the market requires," he hinted that more refinery closures were under consideration in Europe where overall distillation capacity of about 1,000 million tonnes compares with an estimated requirement of only 600,000 tonnes.

He regarded the decline in demand as structural rather than related to the recession, and he made it clear that BP would do its utmost to reduce its own European refinery capacity of 100 million tonnes by between 30 and 40 per cent.

It is understood, however, that this would not involve any further closures in Britain, whose capacity will be reduced by 10 million tonnes with the closure of its Isle of Grain plant at the end of 1982.

Dr Kirsten said the declining demand, expected to be about 8 per cent this year, combined with changes in exchange rates made a reduction in trade inevitable.

He said that earlier this year when the price of North Sea oil from the British National Oil Corporation had been \$39.25 (£21.54) a barrel, BP had been paying \$16.4 a barrel. When the price was cut by \$4, the rise in the value of the dollar was such that BP paid £20 a barrel.

Ricardo continues its investment for the future

Although the pre-tax profits of Ricardo Consulting Engineers, at £1,150,000, showed a decrease of 4.9% on last year's figure of £1,209,000, they nevertheless represented a significant improvement on the previous six months.

The performance of Cussons, Ricardo's manufacturing company, also showed an improvement following reorganisation at Manchester.

Throughout the year the search for new clients brought further business in Great Britain, Europe and the United States as well as Japan and the People's Republic of China.

This is supported by an extensive in-house forward engineering programme into new designs of engine, both spark ignition and diesel, backed by research into all aspects of engine design and performance.

Additionally we shall be spending £1,000,000 on capital

projects in the coming year to enlarge and modernise our engineering facilities.

We look forward to a busy and successful year of consulting and contract work on behalf of our clients throughout the world.

Financial Highlights

	1981	1980
Turnover	£8,958,000	£8,607,000
Operating Profit before interest	£1,179,000	£1,407,000
Profit before Taxation	£1,150,000	£1,209,000
Profit after Taxation	£773,000	£1,253,000
Earnings per Share before Extraordinary Items	22.7p	43.0p
Dividend per Ordinary Share	8.5p	7.7p

Stock Markets

FT Index 475.0 down 15.4
FT 100 60.95 up 0.02

Sterling

\$1.8490 down 60 points
Index 88.3 up 0.1
New York: \$1.8485

Dollar

Index 108.3 up 0.7
DM 2.2500 up 240 pts

Gold

\$450 up \$7.25
New York: \$451

Money

3 month sterling 16½-16¾
3 month Euro \$ 16¼-16½
6 month Euro \$ 16½-16¾

PRICE CHANGES

Rises

Amstrad	12p to 178p
Anglo Am Corp	48p to 735p
BP	20p to 202p
Brown Shipley	30p to 215p
Churchbury East	25p to 665p
Cons Gold Flds	10p to 481p
Gresham Hse	16p to 210p
Lasmo	13p to 472p
Hoechst	25p to 305p
McLeod Russel	20p to 290p
Shell Trans	14p to 358p
Ultramar	15p to 448p

Falls

Atlantic Assets	10p to 223p
E. Austin	8p to 28p
EAT Inds	14p to 351p
Beecham Grp	11p to 186p
Cope Allman	21p to 38p
Com Union	9p to 138p
Electrocomp	10p to 130p
Hambro Life	10p to 368p
Imp Chem Ind	16p to 252p
Minicor	20p to 450p
Unilever	15p to 361p
Utd Scientific	10p to 459p

No choice for Guthrie

Directors of Guthrie, the plantations and rubber group, said yesterday that they had reluctantly decided they had no alternative but to recommend shareholders to accept the Malaysian bid for the company (Simon Proctor writes).

Control of Guthrie was acquired last month in a swift share raid on London and Far East stock markets followed by an aggressive offer relating the company at more than £280m.

The takeover, launched by Permodalan Nasional Berhad, a unit trust company set up by the Malaysian Government, sparked angry criticism from Guthrie over market share raids.

The statement from Guthrie directors said that a number of the group's big institutional shareholders had indicated that they intended to accept the Malaysian bid.

It was therefore unlikely that there would be a small percentage of the shares would remain in independent hands, making the market for the shares very restricted and with the price possibly falling below the offer terms of 90p a share.

Mobil places contract

Mobil North Sea has awarded a £25m contract to the British company KCA Drilling for work on the Beryl B production platform 95 miles south-east of the Shetland Islands.

There will be up to 21 wells for oil production and gas and water injection. Up to six will be drilled by a semi-submersible drilling rig through a template on the sea bed before the platform is installed. Oil production is expected to begin in the summer of 1984.

BUSINESS BRIEFING

Opec meeting expected

Opec oil ministers are expected to announce the date of an emergency meeting next week to try to agree on a unified price structure.

Shaikh Ali Khalifa al-Sabah (right), the Kuwaiti oil minister, appears to be the main advocate of an emergency meeting. It is understood that he has urged Algeria last week for talks with his Algerian counterpart on the world-wide oil glut. Since Opec ministers failed to agree on a unified price in August, pressure on prices has intensified.



Stockbrokers must wait

About 10 former partners of Hederwick Stirling Grumbar, the crashed stockbrokers, will have to wait a further fortnight before they know their future. The Stock Exchange Council yesterday deferred a decision on whether to sanction their moving to other firms.

It is understood the council wants to wait until Mr Martin Fiddler is more advanced with the liquidation of Hederwick. That could be by the end of the month. Mr Fiddler has already said he is confident creditors could be paid in full.

Correll Engineering of Norwich has completed a £12,000 export order of precision machine tools for a Japanese customer.

The Department of Industry estimates that 93,000 motor vehicles were produced in the five weeks ending September 26.

CHIANTI STAYS ITALIAN

The Antinori family whose Marquess Antinori Vineyards have been producing Chianti, Orvieto and other quality Italian wines for more than 600 years have broken off negotiations with the American group Banfi for the sale of a shareholding in the vineyards. Earlier reports in the Italian press suggested that Antinori had been taken over by Banfi.

RAF goes Dutch

Royal Bos Kalis Westminster, the Dutch dredging and construction group, has announced a contract valued at 90m guilders (£20m) for the construction of 25 aircraft shelters and associated services at RAF Wattisham, Suffolk.

Dutch unemployment rose to a postwar record of 404,200 in September from 392,700 in August.

Paris export credit talks

Representatives of the main industrial trading nations began two days of talks in Paris yesterday in an attempt to agree on an arrangement governing minimum interest rates for export credit.

The Americans want to raise the rates to levels nearer those prevailing on world markets and to eliminate interest rate subsidies on export credit.

One difficulty is the low interest rates prevailing in Japan. Because of low inflation and the strength of the yen long-term Japanese interest rates are around 9 per cent. The talks are being held at the headquarters of the Organization for Economic Cooperation and Development.

Four lines of credit totalling nearly £14m for Bank Handlowy Polacy have been guaranteed by the Export Credits Guarantee Department.

Tea machines for Russia

Rose Forgrove of Leeds has won an order worth £9m for tea packing machines from Technopromimport of Moscow. This is the third Soviet order within a year for this type of machine.

The contracts have a total value of £15.5m and are for the supply of tea carozoning machines together with weighing and case packaging equipment. The new contract will provide work at the company's factory at Gainsborough, Lincolnshire, until December 1983.

TODAY

September car sales.
Company Results: Hambro Life, Harris Queensway (both half-year).

Kuwaitis to pay \$2,500m for US oil company

From Frank Vogl, Washington, Oct 6

The United States Government is to open a series of investigations into plans by the Kuwait Petroleum Corporation, owned by the Kuwaiti Government, to purchase the Santa Fe International Corporation, a large United States oil company with interests in the North Sea. The deal at \$2,500m (£1,350m), represents the largest direct Arab investment in an American company.

The transaction could set important precedents, and will test the Reagan Administration, which only recently established a task force to look at direct investments in the United States by foreign governments and government-owned companies. The deal is bound to be controversial, but it is likely to win White House approval.

Santa Fe's ability to win political support in Washington for the deal will be helped by the fact that former President Gerald Ford is a director. The board voted unanimously to accept the Kuwait offer of \$51 per share, more than double the current New York Stock Exchange quoted price.

Initial talks between Santa Fe officials and the Kuwaitis took place in London, but the detailed agreement was completed in California, at the American company's head office late last week.

Santa Fe is a large petroleum drilling, exploration and services company with sales

last year of \$1,230m. The company has an engineering and construction division that has operated in Kuwait for many years. Santa Fe's biggest oil reserves are in the North Sea, and its output there last year averaged 18,000 barrels a day.

The company has a 16.29 per cent share of the high quality Thistle oil field, off Shetland. The field, which began producing oil in 1978, is expected to reach a peak of 135,000 barrels a day next year. Its estimated capacity is 450 million barrels.

The United States Treasury's committee on foreign investment will look at the transaction and its possible implications for national security. However, strong Treasury backing for the deal seems likely, and there will be no anti-trust objections. Last week Mr Marc Leland, the Treasury's assistant secretary for international affairs, said in a speech concerning Opec investments in America that investment in the United States, both foreign and domestic, is critical to the revitalization of our economy.

Mr Benjamin Rosenthal, chairman of a house government operations subcommittee, said he had received reports of extensive insider purchases of Santa Fe. In a letter to the Securities and Exchange Commission, he urged a halt to trading in the company pending further investigation.

Arab US investment, page 22

CBI talks with Japanese aim to slim trade deficit

By Peter Hill Industrial Correspondent

Industrialists from Britain and Japan will attempt to solve the problem of the growing trade imbalance between the two countries later this week. A Japanese delegation is due to arrive in London tomorrow for discussions with the Confederation of British Industry and Ministers.

The team from the Keidanren, the Japanese equivalent of the CBI, is led by Mr Yoshihiro Inayama, its chairman, and is one of the most influential industry delegations to visit Europe in recent years.

CBI leaders, alarmed at a

trade imbalance now running at over £1,400m, want to discuss greater access to Japanese markets for British goods.

Lead by Sir Raymond Pennock, the president, the CBI team includes Sir Michael Edwards, the CBI chairman. It will emphasize the problems caused by Japanese exports to important sectors of United Kingdom industry. It will also explore the scope for inward investment in both countries, further technology exchanges and the possibility of joint ventures in third country markets.

Anything but robots, page 23

IN BRIEF

Reuter likely
buyer for
US agency

The President of the company that runs United Press International, the news agency, said yesterday that he expected agreement to be reached for its purchase by Reuter, the London-based news agency. Mr. Ed Estlow, president of E. W. Scripps, made the forecast in a speech to editors at UPI's annual convention.

In July it was announced that Reuter was interested in buying UPI and that negotiations were continuing. Mr. Estlow said that a deal had not yet been made but "based on the levels of interest shown" at the time, our expectations are that a satisfactory ownership conclusion will be reached.

Mr. Estlow said that Reuter was not the only bidder in the field. Industry sources in New York, however, believe that they are likely to be the eventual owners and that the delay in completing the deal is due to disagreement about the price.

Soviet block debts

Soviet block countries' debts in the West last March totalled between \$73,000m and \$75,000m and were expected to increase further, according to a new study by the Austrian Institute for Economic Research.

Japan steel spending

The Japanese steel industry plans to expand its capital outlays on plant and equipment from April next year, despite the present slump, as part of its effort to gain an advantage over steel industries abroad.

\$1.4m drainage deal

Bovis Civil Engineering has won a £1.4m contract to build a rising main, gravity sewer and storm overflow for Weymouth and Portland.

French bank strike

Paris bank employees staged a warning strike yesterday afternoon on the breakdown of negotiations for shorter working hours but the strike was not expected to affect banking operations.

Canadian oil supply

Canada could develop enough sources of crude oil in the next decade to meet domestic needs for 300 years and help to provide security of supply for all of North America, Mr. Jack Gallagher, the chairman of Dome Petroleum said.

Italian trade deficit

The Italian trade (E450m) deficit rose to a provisional 1,040,000m lire in August.

October 29 likely
date for C & W
hiving-off sale

By Bill Johnstone Electronics Correspondent

The Government has selected October 29 as the preferred date for the sale of 49 per cent of the shares of the state-owned telecommunications company, Cable & Wireless.

The sale, being handled by merchant banker Kleinwort Benson, is expected to raise about £175m.

The precise date depends on the behaviour of the share market before the end of the month.

The transaction has been one of the main tasks of Mr. Eric Sharp since he was appointed chairman a year ago.

The company, a principal partner with British Petroleum and Barclays Merchant Bank in a telecommunications consortium, is also expected to be granted a letter of intent by the Government giving it formal approval for the group's proposed network before the end of the month.

The consortium has applied for a licence to operate a telecommunications network carrying voice and data in the United Kingdom in direct competition with British Telecom.

Negotiations have been under way for several months to establish the conditions under which the licence will be granted and the period over which it will be valid.

Three principal factors are under discussion. They are access to internal circuits, the right to carry international traffic independent of British Telecom and the level of

New onshore licences
spread search for oil

By Peter Hill, Industrial Editor

Five new onshore oil production licences have been granted by the Department of Energy for areas in Staffordshire and Hampshire.

Shell UK has been granted licences to drill for oil in Staffordshire while the company also has an interest in a licence granted jointly with Voyager Petroleum (UK) to explore in Hampshire.

The fifth licence has been issued to a joint venture composed of Craig Exploration and Denholm Exploration to carry out drilling operations elsewhere in Hampshire.

Last year onshore production of oil amounted to about 240,000 tonnes — double



Mr. Sharp: spearheading shares sale

royalty payments, if any, to be paid.

Cable & Wireless returned a pre-tax profit of £62m for the financial year which ended in March. The company's turnover rose by 15 per cent although the small profits increase (£1m) was due largely to the unfavourable exchange rate.

The company intends to shed up to 40 per cent of its 2,000 United Kingdom staff over the next three years.

The consortium of Cable & Wireless, BP and Barclays Merchant Bank intends to invest £50m laying 1300 kilometres of fibre optic cable as the first phase of its network.

the amount produced the previous year, reflecting the build-up of production from the British Gas/BP field at Wytch Farm in Dorset.

Companies awarded onshore licences are required to offer the British National Oil Corporation the first option to buy up to 51 per cent of any oil produced from any finds made on the areas they have been allocated.

These latest onshore licences increase to 51 the number now in force. In addition, 14 mining licences, granted in the period during and before 1967 and which also permit drilling for and production of petroleum, remain in force.

More aggressive dealings likely to follow Santa Fe bid
Arabs may expand US investments

From Frank Vogt, Washington, Oct 6

The decision by Kuwait to buy Santa Fe International Corporation for \$2,500m (£1,550m) represents a departure from past trends in Arab investment in the United States. Arab Opec nations have at least \$60,000m of American investments, but only a fraction of this amount is in the form of majority shareholdings in corporations.

The Kuwaitis have not only signalled their intent to develop a multinational oil company, but they have become the first Arab investors to buy a large corporation. They have tended to buy large shareholdings in companies — witness their 14.6 per cent stake in Getty Oil, their 14 per cent shareholding in Daimler-Benz and their 20 per cent stake in Metallgesellschaft.

Now the decision has been taken to go for full takeovers of American companies. Arab Opec authorities will be watching Washington's reaction carefully. If it appears that the Santa Fe deal wins approval without too much adverse publicity, then the Kuwaitis, Saudis and others might become more open and aggressive about direct investments in the United States.

There have been two constraints on such investment in recent years. Firstly, there has been genuine concern

among some Arab authorities that using oil money to buy large American companies might provoke anti-Arab sentiments in the United States, which would have serious political consequences. Secondly, there is a shortage of skilled business managers who can be freed from running domestic investment to supervise foreign investments.

It has seemed administratively easier and politically more prudent for the Arab Opec nations to concentrate on portfolio investment rather than direct industrial investment in the United States.

There has been some direct investment. Treasury figures suggest the total may be a few thousand million dollars, but it is likely that, through holding companies, Arab direct investments may be much larger.

Some individuals from Arab Opec countries have bought modest-sized banks in California, Georgia, Washington and Michigan, and some large shareholdings in engineering and construction companies. Kuwaiti interests have bought holdings in tourism businesses. Nothing comes close in scale to the Santa Fe deal.

Total Arab Opec investments in the United States are formidable. Federal Reserve Board figures suggest that the

cumulative Opec current account balance of payments surplus between 1974 and 1980 was \$337,000m after official transfers. The Treasury believes that at least \$60,000m of this total has been invested in the United States.

The most recent figures suggest that total Arab Opec holdings of United States Treasury securities amount to \$32,537m, more than 25 per cent of total foreign holdings of these securities. The great bulk of these holdings are probably owned by the Saudi Arabian monetary agency, but the Treasury refuses to detail investments on a country-by-country basis.

Treasury figures suggest that total Arab Opec holdings of corporate bonds in the United States in mid-1981 amounted to \$6,075m and holdings of corporate shares to \$8,297m. Arab Opec commercial bank liabilities totalled \$7,957m, with non-bank liabilities almost \$1,000m more and assorted other interests totalling a further \$4,000m.

Tracing ownership, however, can be difficult in many real estate and stock market deals.

There is also evidence that some Arab investors are active buyers and sellers of securities and it is difficult to determine just what their

actual holdings are. One recent report suggested that the Kuwaiti authorities were engaged in stock market transactions involving thousands of millions of dollars in the year to June 1980 through their accounts at Citibank in New York alone.

By making the Santa Fe purchase, aware that it is bound to spark Congressional investigations, the Kuwaitis have almost certainly decided to reveal to the authorities a full account of their diverse interests in America. It seems likely they have made this decision to build a big American-based oil corporation, and more acquisitions are possible soon.

Recently Kuwait launched the Kuwait Overseas Petroleum Exploration Company for foreign exploration. The company, which is active in Malaysia and Bahrain, may soon be a force in the United States. The Santa Fe deal follows two more modest moves by the Kuwaiti-controlled Kuwait Petroleum Corporation earlier this year.

The company put forward \$100m in a joint exploration venture with AZL Resources. It also put forward \$185m to establish a joint venture with Pacific Resources. These deals, along with the Santa Fe one, bring the Kuwaitis into American refining as well as exploration.

EEC RULING
ON SECRET
PACTS

By Our Commercial Editor

Restrictive agreements in the Italian flat-glass market, under which buying from foreign manufacturers, including British, was prohibited except in exceptional circumstances, have been ruled by the European Economic Community Commission to be contrary to EEC competition regulations.

The secret agreements, involving Italian manufacturers, wholesalers and processors, were made during 1976 and 1977 and were then gradually abandoned about the end of 1977. Because the agreements were only partially implemented the Commission has decided not to impose fines.

The agreements were made through the Istituto Sviluppo Vetro, Associazione Vetro Italia Centrale and Associazione Meridionale Vetro in Laste.

Under the agreements purchases from the Italian makers were made only through the trade associations and on fixed quotas.

Britain's glass makers face more
setbacks, study reveals

By Derek Harris

Profit margins in Britain's glass industry in three years have declined sharply from 7.2 per cent to 4.1 per cent last year, with the prospect of large profits setbacks and some losses still to come.

This is the conclusion of a new study by ICC Business Ratios, out yesterday, but reports from the trade also indicate that the industry is being hit by a combination of factors.

The high energy content in glass-making, amounting to more than 21 per cent of total costs, has been, hitherto, the industry's Achilles' heel. It is also particularly affecting profitability of the large-volume producers just as it is in competitive packaging industries such as metal cans.

Decline in beer sales and particularly those for soft drinks, during the summer are also expected to have their effect on the glass container sector. Manufacture of containers for food and drink account for about a third of all glass sales.

Of the packaging market, worth around £3,500m a year, glass containers account for about 12 per cent, which this year showed a marginal improvement at the expense of plastic and glass-container imports.

But the increasing inroads of the lightweight plastic PET containers is worrying glass container makers such as United Glass and Rockware Glass. United Glass expected a first-half loss this year of £4.6m.

Sales growth in the three years covered by the report has been poor with only two companies in the top ten showing a good rate of expansion. These were Alpine Holdings, the window specialists, and Doulton Glass (manufacturing and home improvement installations). Alpine being up 40.5 per cent, and Doulton 23.8 per cent.

Other growth rates were as low as just over 7 per cent. But United Glass and Rockware Glass had growth rates of more than 19 per cent.

Pilkington Brothers, the St Helens, Lancashire, glass maker, saw growth of 14.6 per cent but its subsidiary, Triples, involved in the flagging car manufacturing market, had only 7.4 per cent.

In the year 1979-80 Pilkington had the best profit margins among the top 10 at 14.5 per cent. United Glass's margin stood at 6.6 per cent and Rockware's was 4.1 per cent.

The manufacturing end of the industry saw the steepest returns on capital employed, according to the report. Those making glass for industrial use, such as car windcreens, showed the poorest return at 6.7 per cent in the final year of the study. Producers of domestic glass had returns of 86.9 per cent, glass users were slightly better at 17.3 per cent and merchants strikingly better at 27.1 per cent.

The Glass Industry: ICC Business Ratios, 23 City Road, London EC1Y 1AA. E55.

Business appointments

Wilkinson
Sword
names new
director

Sir Ronald Ellis has been appointed director of corporate development of Wilkinson Sword Group.

Mr A. S. O. Houchen has been made managing director of McCaig's Machine Systems.

Air Vice-Marshal Arthur Griffiths has become chairman of Consolidated Safeguards on the retirement of Mr John Marsh.

Mr D. K. Ross-Egan has been appointed to the board of Williams and James (Engineers).

Mr C. Mathieson, group financial controller, has joined the board of Rowans and Boden.

Mr H. C. Crabb has retired from the board of Walker and Rice (Warrick Fabrics).

Mr H. Pilkington has resigned as director of Braby Leslie having vacated his appointment as managing director of Braby Group, domestic products division.

Mr W. R. C. Elliott has retired from the board of Bass.

Mr Eric Brunet has retired from the posts of secretary of Provident Mutual Life Assurance Association and managing director and secretary of Provident Mutual Pension Funds.

Mr G. Lenton has become a director of Kellack Trust. Mr R. B. Martin has been appointed secretary.

Dr J. H. H. Merriam has been appointed chairman of the Information Systems Council.

Dr Walter Gilbert becomes full-time chairman and chief executive of Biogen N.V.

Mr J. G. Woolfenden has been made an executive director of the Standard Life Assurance Co.

Mr Derek Vander Weyer has become a part-time member of the board of Britannia PLC as a non-executive director. Mr Hann is chairman and managing director of the retail division of Boots.

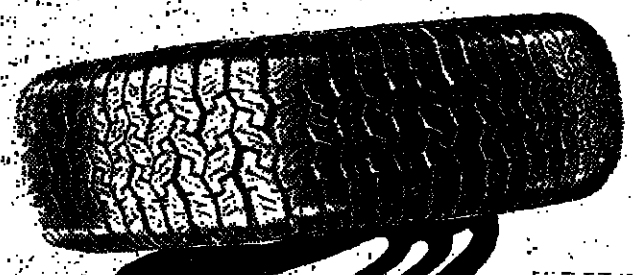
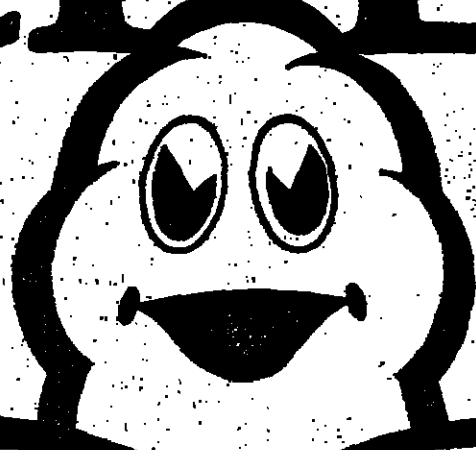
Mr Philip Birch, group managing director of Ward White is appointed chairman elect and following the retirement of Mr George McWhatters, as chairman on March 17, 1982, will become chairman and managing director. Mr D. D. de Carle, a partner in Simmons and Simmons and a non-executive director, will become non-executive vice-chairman on March 17. Mr C. Walsh, head of corporate finance and a director of Morgan Grenfell is appointed a non-executive director.

Mr Anthony Leach has been elected vice-president for accounting of Occidental Petroleum Corporation.

Mr E. M. F. Welman is to retire from the board of Baring Brothers. He has been succeeded as senior investment director by Mr Nicholas Baring.

Mr Hector Lang and Mr Charles Tidbury have been elected to the Advisory Council of the London Enterprise Agency. Mr G. Gossey (United Biscuits (UK)), Mr R. Mathieson (Whitbread & Co), Mr D. Melvin (BOC) have been elected as members of the executive committee of the Agency.

ANOTHER TRIUMPH FOR MICHELIN.



Triumph have spent millions ensuring that the new Acclaim CD is "totally equipped". So you will not be surprised that the majority are fitted with Michelin XZX/70 low-profile radials to ensure positive handling, sure-footed grip and, above all, long, trouble-free mileage.

SWITCH TO MICHELIN

BY THE FINANCIAL EDITOR

Cold comfort from the money supply

Dollar interest rates continued to ease yesterday as markets convinced themselves that the Federal Reserve will have relaxed its tough monetary stance a little by the end of the week. On the face of it, the dollar, too, should have eased further, and so, presumably, it would have done without the upset of yesterday's assassination. Not that the dollar held on to its sharpest gains, but until the implications of the Sadat assassination become clearer, the United States currency will probably be seen as the likely bolt-hole for "nervous" money.

That in turn might take a little of the sweetness out of easing dollar interest rates as far as sterling and United Kingdom interest rates are concerned. But it requires a fair amount of optimism to see United Kingdom interest rates falling from their present level for some months.

Certainly, the reason why authorities chose not to stand in the way of the latest rise in bank base rates is now clear enough. The estimated 2 per cent rise in the broad money supply, sterling M3, in the September banking month may not in fact be quite as bad as it looks. But even if you allow 1/4 per cent for the effect of bunched VAT repayments and a further 1/4 per cent for relatively low public sector debt sales, the position is still uncomfortable.

Overall, sterling M3 has now risen by 10 per cent since the February base month, an annualized rate of over 17 1/2 per cent. That in itself tells us relatively little given the circumstances, but the fact remains that bank lending to the private, and especially the personal, sector has remained particularly buoyant throughout.

For the authorities seemingly to want to slow this engine of recovery might seem strange, not least given the present state of the economy and the apparent switch of short-term emphasis from meeting monetary targets to holding up the exchange rate.

The real issue is whether the Government is simply trying to juggle two balls (the money supply and the exchange rate) as best it can for the moment, or whether monetary policy is in the process of being gradually adapted to be reasonably consistent with a given exchange rate target. The answer is almost certainly that the general approach at present is "fluid".

Sears

Defensive qualities

The first half figures from Sears Holdings are at the top end of expectations with pretax profits at £35.9m, and with the bulk of the earnings coming through in the second six months as usual, the group appears fairly well set to match last year's total of £99.7m. The footwear side has had a fairly static initial six months, but the purchase of the Butler Shoe Corporation in the United States has proved a useful counterweight to the depressed conditions in the United Kingdom. For the five months to July Butler chipped in £3.2m which neatly offset the fall in profits at home so that the total at the trading level came out at £22.3m.

Given the high level of interest rates on both sides of the Atlantic, the interest charge of £3.4m came as something of a surprise since it was actually down on the comparable figure by about £300,000. The answer lies not in any particularly clever financing arrangement done to buy Butler, but in the group's huge cash resources. Sears generally has anything ranging between £30m and £40m out in the money markets earning interest, plus of course the cash flowing in through its stores.

As for the other sections of the group, trading profits from the department stores improved from £1.7m to £3.3m thanks partly to a turnaround at the Wallis Fashion Group which showed a small profit against a loss of £2.2m. The losses on the engineering side were at least contained at £2m while property development and investment saw profits more than double to just over £4m. But two areas of disappointment were car sales and the betting shops.

The shares at 48 1/2p have come back with the market. With a historic yield of 6.8 per cent, they retain their usual

defensive qualities and could even outperform the market should the group show any signs of doing better than expected in certain key areas.

Bejam

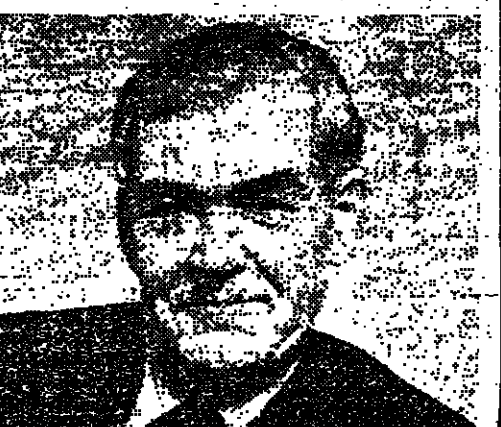
Eating humble pie

Bejam has emerged from its unfortunate venture into the fast food market with profits ahead and confidence still intact judging by the dividend forecast. Having raised the 1980-81 dividend by 22 per cent, Bejam is now forecasting a maintained payout after the planned one for three scrip issue — an effective rise of one third.

The retreat from fast foods has cost £1.5m in below the line write-downs but released about £4.5m of cash — a term loans against the group had nearly £7m net cash at the year-end — which may well come in useful as Bejam is still expanding fast, but it is now getting stung for mainstream corporation tax because of the new stock relief rules.

Volume growth of 8 per cent in existing selling space testifies to the strength of Bejam's traditional frozen food business — freezer sales were also strong — and should allay any fears about competition from the supermarket groups. So the growth here more than offset the nearly tripled trading loss of £640,000 from fast foods, leaving pretax profits up from £8.3m to £9.0m after a first time £294,000 for profit sharing, but with the benefit of an extra week's trading.

Because of the sharply higher tax charge, of which a large part is deferred tax provisions and so will not affect cash flow, earnings per share have fallen from 10.5 to 7.1p, but cover remains ample even though it could slip again this year. Bejam remains confident of another record year and at 126p yielding a prospective 4.2 per cent and on a prospective multiple of over 16 the shares are expecting as much.



Mr Geoffrey Higham, chairman of Cape Industries

● Cape Industries, still two thirds owned by Charter Consolidated, took a big strategic decision to get out of South African asbestos. With the help of a £9.2m rights issue at 157p, it bought into insulating materials. The wisdom of this decision is still unclear and the group has the hallmark of an unproven industrial holding group. Pre-tax profits went down by nearly a fifth in the first half of 1980, and for the whole year they crashed by half. Worse was to come. In the six months to June the adjusted figures fell two fifths to £3.3m depressed both by heavier interest charges of £1.5m against £1m, and by a building and insulating recession.

The automotive division nearly wiped out its losses, but trading profits in building and insulation drifted from £6.9m to £5.3m. The integration of newcomer Newall in insulation cost £1m in extraordinary expenses below the line, and more are to come. Demand for insulating materials is still disappointing, and Pilkington and Cape have been joined in the competition by British Petroleum and BPB Industries. Price cutting is rife, and no one seems prepared to scrap capacity. Nor will it be until the financial year starting next January that the automotive division will return to profits. But down from 243p to the year's low of 146p, the shares now yield 11 per cent and one day business will presumably pick up.

Masao Takahashi is a union chief who would like his members to spend more of their lives at work.

As assistant general secretary of Domet, the Japanese Confederation of Labour, Mr Takahashi has started campaigning for an increase in the retirement age of his members to 65, from between 55 and 60 years at present.

His reasoning is based on sound economics. The Japanese population is aging rapidly and a way has to be found to finance pensions; but it is still eerie to hear a trade union official advocating a policy that appears to be the reverse of the European trade union goal of work sharing.

But Mr Takahashi, who also accepts the need for micro-chips and robots as part of what he calls the third industrial revolution, is no right-wing renegade in the union structure. In some ways he appears almost radical in trying to persuade his members to take their 20 days of annual paid holiday in full instead of using up only 10 days on average at present.

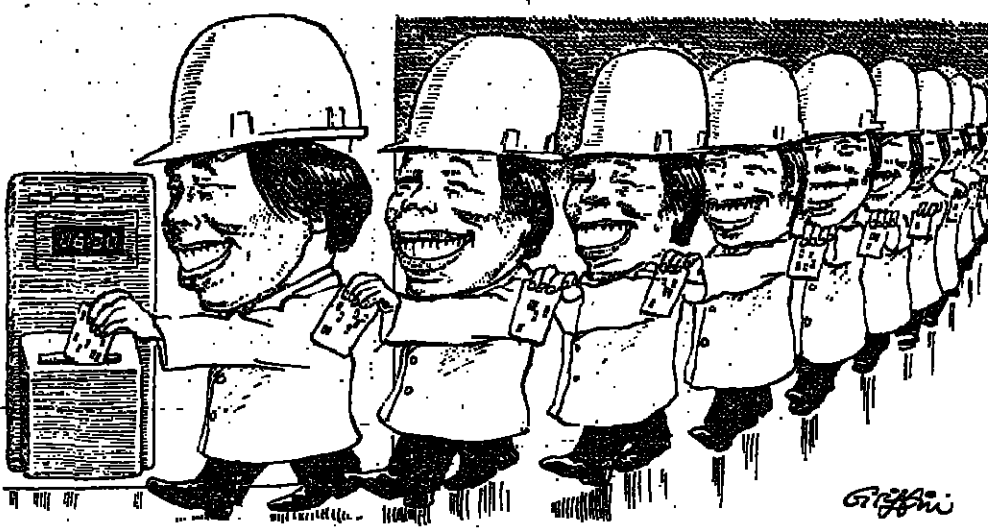
The moderation of Mr Takahashi and the difference of the Japanese worker are two of the factors behind the visit to Europe this month of a top level economic mission from Tokyo. The mission, which is being backed by the Japanese Government, includes the chief executive from every leading industry and commercial sector in Japan.

It is touring seven countries in the European Community to explore possibilities for industrial cooperation. In Japan, the EEC and the Third World.

The mission members are in a sense the victims of their country's economic success, fearful that a bilateral trade surplus in the EEC, which could reach \$15,000m (£8,108m) this year, might lead to the introduction of protectionist measures in Europe. They come offering to share Japanese technology and management expertise. The Japanese believe there is scope for a long-term international division of labour, between themselves, the United States and Europe. But such a division of labour

Against a background of controversy over Japanese import penetration a top level mission is in Europe this week and arrives in London tomorrow. How do we see the Japanese? How do they view us? Peter Norman (above) and Peter Hill, both recently in Tokyo, report.

Japanese workers — anything but robots



would imply that the partners are equally competitive.

After a brief visit to Japan, which included calls on factories and farms, and meetings with politicians, government officials and trade unionists, I find it hard to see how the EEC can keep up with the Japanese without radical change in attitudes taking place in either one society or the other.

Industrial robots are already making their way into small and medium-sized companies in Japan. Two of them were at work when I visited an automobile components factory in Toshiyuki province, north of Tokyo, engaged in the relatively unsophisticated manufacture of car seats for the nearby Nissan plant.

Japanese workers are anything but robots. Those on

the production line in the large manufacturing plants have a high educational standard, most of them having studied to either high school or senior high school levels.

The Japanese system of giving a person a job for life, paying by seniority and negotiating wages and conditions through company-based trade unions, does appear to make the worker identify his welfare with that of his employer. Jobs are rotated, ideas and suggestions flow up and down the company structure so that decisions come from a mixture of experience from the top, the middle and the bottom of the enterprise.

The result, as far as one can tell from the brief visit, is a willingness to work and the team spirit is foreign to European experience.

At Toshiba's computer plant in the Tokyo suburb of Fuchu, the workers in one department had put up a banner decorated with paper flowers urging each other to greater productivity in completing an order to replace equipment at flood damaged power stations.

In another section of the plant, programmers worked an average of two hours overtime a day. When asked why, they said it was to fulfil the backlog of orders because their machines were a pleasure to work with. No mention was made of extra pay although at that plant overtime was paid at a higher rate than normal working hours.

Along a wall of honour were certificates and awards

for excellence at work. Tucked away between the photographs of two recipients of the "Computer Panel Olympics" award were a couple of baseball trophies. They had been given by a former worker to his one time employer. This man had left the company to become a baseball professional and had handed over his first trophies in recognition of the help his career had been given through playing in the Toshiba amateur team.

The effect of such attitudes is that Japanese industry can operate without having to fear serious disruption through strikes or absenteeism. At the plants visited, attendance rates were around 95 per cent, the 5 per cent missing including those who were on holiday. The percentage of workers away sick on any given day was generally less than 1 per cent. Guarantee of continuous production allowed the car components plant in Toshiyuki to operate on a half-day's supply of raw materials and it was experimenting with operating without stocks at all.

Japanese businessmen and politicians claim that things will change over the next 10 years. The younger generation, they say, work less hard and take their holidays in full.

Wage levels are comparatively high, ranging from a monthly average of 212,500 yen (£503) gross, including the annual bonus, at the car components plant to 354,000 yen (£839) at Nissan. Income tax is low, averaging 11 to 12 per cent.

In increasing the level of automation, Japanese businessmen are impelled by a fear that they will in turn become uncompetitive against the newer industrializing countries of Korea, Taiwan, Hongkong and Singapore. Where does this leave the EEC? The Japanese answer is the need of change. But the verdict is not wholly negative. Mr Tadashi Kuranari, a Liberal Democrat politician who has close ties with Europe, pointed out that the EEC still has a very impressive capacity for innovation in science. If this could be harnessed commercially, the 1990s could be a decade of European economic advancement.

Stepping up the search for common ground

Our vigorous export of products is not a conspiracy on the part of Japanese business nor a reflection of its determination to annihilate the industries of other countries

Earlier this year the Confederation of British Industry, whose leaders will be talking later this week to the top level Japanese economic mission which is visiting Europe, launched a strong attack on Japan's "laser beam" approach to exporting.

The outbreak from the Centre Point was not surprising. Industrial production in this country has fallen by 17 per cent over the last two years, unemployment is rising, companies can see no prospect of any significant upturn in demand and the imbalance in trade with Japan looks as if it will soon reach £1,400m.

Britain's industrialists — along with most of their counterparts in Europe — made it clear that they wanted the EEC to take strong action to stem the tide if Japan failed to restrain her aggressive exporters voluntarily.

The CBI attack — reinforced in rather more diplomatic language by both the EEC Council of Ministers and by British ministers in talks with their Japanese counterparts — somewhat surprised Japan's business leaders.

Officials of the Keidanren — Japan's equivalent of the CBI — believed that they had

established a reasonably constructive rapport with their British opposites. On the other, they more or less accepted that such an outburst was inevitable.

Mr Masaya Miyoshi, a Keidanren managing director who is accompanying the mission to Europe, which arrives in Britain tomorrow, told me: "Amid the worldwide problems of inflation, stagflation and the high unemployment and difficulties caused by fiscal and monetary policies in the UK, Japan has become the scapegoat".

The tough posture adopted by British businessmen was yet another example of what is termed Japan's "goatblat". But goatblat or not, Japan takes the issue seriously. After all, as one of the world's most dynamic econo-

mies, it has to be seen to be acting responsibly and to understand and appreciate the problems which the "laser beam" approach means for the industrial economies of Europe and the United States.

The Keidanren mission forms an important part of that process. It is also important to remember that Japanese policies are shaped by consensus at every level. Decisions and policies therefore take time to formulate.

The delegation, led by Mr Yoshihiro Inayama, the Keidanren chairman, is interested in listening to European proposals and ideas on how the trade friction and trade imbalance can be eased. That is clear from the fact that the European mission is seen by the Keidanren as having been born out of an inevitably vague political concept outlined more than two and a half years ago in a report by EEC Industry Commissioner Viscount Etienne Davignon.

Mr Miyoshi: "We have refined the concept and identified the areas of interest, since basically we agreed that it is desirable to increase the level of collaboration — through technological exchanges, joint ventures in third countries and two-way direct investment — because, after all we have to co-exist and to work together to maintain free trade in the industrialized world."

"We have to work together to find the common ground. If we are to solve the bigger

problems which face the world, such as inflation and the relationship between North and South, we have to ensure there is more cooperation and less confrontation. The time has come to consolidate our relations on a more profound and solid basis."

Both the Keidanren and Japan's Ministry of International Trade and Industry, which is sponsoring the mission, regard the two-week visit as a vital part of the consensus building process. The mission will be followed by others representing specific industrial sectors.

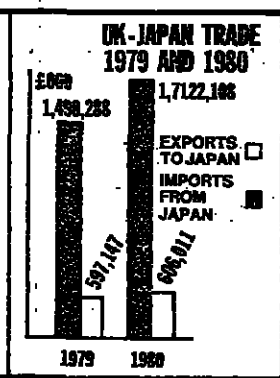
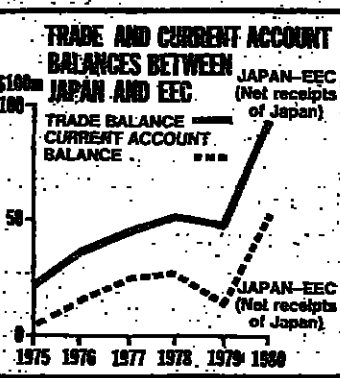
Mr Miyoshi again: "An important task of the mission will be to obtain clearcut ideas and proposals from European business leaders and Government on how we can implement the three or four basic ideas. Since the original concept came from

Europe then we think that concrete proposals should come from the European side."

In the Keidanren's view the top-level exchanges can only help to improve understanding on both sides of the problems which companies face. Understanding, the Keidanren believe, is the key to improving relations between the EEC and Japan. It may be a long-drawn-out and frustrating business for Europeans.

Mr Miyoshi neatly describes Japan's effectiveness in exporting thus: "Japan's vigorous export of products is not a conspiracy on the part of Japanese business nor a reflection of its determination to annihilate the industries of other countries. It results from improvements in productive efficiency and the increased demands for Japanese products from the consumers of importing countries."

His hope, and that of members of the delegation, is that a deepening of understanding at the top level will, in time, percolate down through the various industrial sectors and those who engage in "laser beam" exporting. That will take time.



Sources: MFI, United Kingdom Overseas Trade Statistics

Business Diary: The driving spirit of John Zachary De Lorean

Johnny Carson hit British television screens for the first time on Saturday night and saw himself upstaged by a marmoset.

Two nights later John Zachary De Lorean was omnipresent on our screens fending off a much more dangerous adversary — a Miss Marianne Gibson, variously described during the day as "a senior executive" and later "a tycoon". She threatened to bring the house of De Lorean crashing down around John Zachary's ears with allegations of financial misdeeds surrounding the building of the De Lorean production line in Belfast.

The comparison between the two men is irresistible. Both in their own way put on a bravura performance at effortlessly brushing off trouble. Carson looked like a man who would be very much at home in the boardroom exchanging golf stories and profit projections. De Lorean, judging by Monday's performance, could slip into Carson's anchor-man seat any night and no one would notice the difference.

So what could be more natural than the fact that if the De Lorean empire should sink under the weight of suspicion surrounding it, a good \$500,000 of Carson's money, invested in confidence, will go down with it.

This is a loss which the nation could probably stand. The fact that there is also more than £80m of British Government aid and 2,500 jobs in Belfast tied in with it makes the future of De Lorean's car plant of more lasting interest.

After his performance on British television on Monday night, it seems impossible to separate the fate of the De Lorean Motor Company from the personality of John Zachary De Lorean himself.

This is understandable since De Lorean's character is as forthright and as individualistic as the car he has produced. At one time the publicists he is fond of employing attempted to portray him as the archetype of the trendy, worldly-wise motor executive which the author Arthur Hailey was to use in his novel about the American motor industry, *Wheels*.

It was a nice story for a public relations firm, but it was simply untrue; Hailey now says that none of the characters in the book was based upon De Lorean.

In fact, De Lorean's youth was not the stuff of which pulp best sellers are made. He was born in January 1925, the son of a worker in the foundry at the Ford Motor Company in Detroit, and spent much of his youth

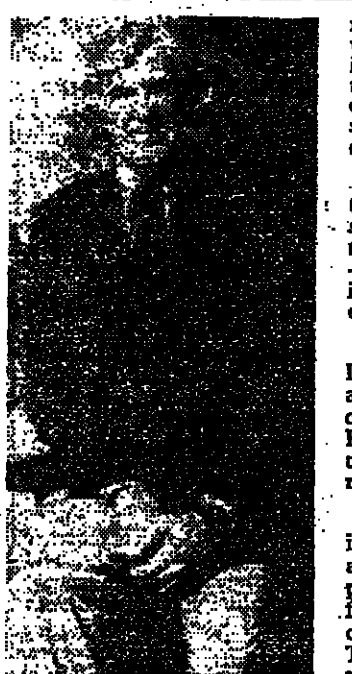
flitting between his mother's home in Los Angeles and his father's in a working class suburb of Detroit.

It was only in 1948, after he had won a music scholarship and a degree in mechanical engineering, that he joined Chrysler and stepped onto a motor industry career escalator which led him to where he is now. De Lorean left Chrysler in 1952 and became head of research and development for Packard, leaving four years later for the Pontiac Division of General Motors.

It was here, in the heartland of American mass car production, that his career blossomed as he presided over an increase in Pontiac sales from 688,000 in 1964 to 877,000 in 1968. Flamboyance, and in particular the boyance of John Z. De Lorean, who was then starting to make his way into the gossip columns, was no small part of the success.

If one is to believe De Lorean's unofficial biography — written in collaboration with the respected American motor industry journalist Patrick Wright — this was a period of intense dissatisfaction with the standards of the industry.

He quit in 1975 making a lot of noise about GM not being willing to produce what he called an "ethical" car, a



John De Lorean

vehicle which was low on fuel consumption and built to last a long time.

Two things suggest this stance should be taken with a pinch of salt. Later, when the Belfast scheme was taking shape, he withdrew his name from the Wright book in a move which has been widely interpreted as an attempt to

restore his shattered links with the conventional motor industry. More conclusively, the car which he has produced at Belfast does not seem to fit in with his own definition of an ethical car.

It is expensive — \$25,000, though some Americans are so keen at the moment that they are willing to pay more — thirsty, and generally more interested in style than economy.

Should Belfast fail, De Lorean will find no comfortable niche back in Detroit's motor industry upper classes. Eight years since his departure, the mere mention of his name can still raise a grimace.

He shocked the mores of an intensely conservative hierarchy which inherited its puritanical outlook on life from the sprawling Du Pont clan which once owned GM. They wore suits, white shirts, ties and hats and drove to work in company cars. De Lorean wore jeans, dyed his hair, and turned up at the offices in a Lamborghini or even, on occasion, a pick-up truck.

The offence was compounded when he chose a model, Cristina Ferrare, 20 years his junior as his third wife. Unlike his reputation in Detroit the marriage lasted. Today she still earns nearly a

million dollars a year from modelling contracts.

Detroit remains doubly disillusioned with De Lorean: not only did he flout its morality, but it accuses him of forcing the city to indulge in a race with Puerto Rico for the site of his sports car factory. In the end, of course, it was Belfast which beat them all, though we shall all have to wait to find out if Northern Ireland can be described as a winner.

The car itself is on the verge of success — it has established itself as a desirable object in America, but, at the same time, has attracted criticism of the quality of its finish.

De Lorean himself, after years of sniping from critics at the edges, is finally showing signs that he is personally hurt by criticism. It seems a long way from the last interview he gave to the *Detroit Free Press* when he said: "It's still like I'm only 27 and the whole wide apple of the world is waiting out there for me to take a bite of. Some day maybe I'll wake up and discover I'm not 27. But until then, I guess I'll keep living on adrenalin... I'm running because it turns me on."

David Hewson

The 85p gallon

Come next year your company results could look much healthier.

Thanks to the 85pence gallon.

Because through Dual-Fuel Systems Limited you can take full advantage of the major cost savings Liquefied Petroleum Gas offers as an alternative automotive fuel.

Britain's No 1 LPG conversion company can have a vehicle back on the road in a day, using a fuel that can be 50% cheaper than petrol.


A flick of a switch offers you the choice of two fuels, petrol or LPG.

Fleet savings will be considerable. For example, even based on a modest annual mileage of 25,000 miles, a fleet of 30 Ford Cortina 1600 saloons running on LPG saves over £20,000 p.a. This represents a pay-back period of just over 6 months, and it's just the start of your savings.

If ever there was a time to change to a dual-fuel system it must be now.

Except for those businesses who can afford to pay £170 a gallon.

Conversion Centres now in Birmingham, London and Luton.

Dual-Fuel Systems Ltd  **NOW'S THE TIME TO SWITCH**

Please send me your descriptive brochure.

Name _____ Position _____

Company _____

Tel. _____ Size of fleet _____

Address _____

T.7.10.

Stock Exchange Prices

Upset at Sadat's death

ACCOUNT DAYS: Dealings Began, Sept. 28. Dealings End, Oct. 9. Contango Day, Oct. 12. Settlement Day, Oct. 19.

§ Forward bargains are permitted on two previous days

BELL'S
SCOTCH WHISKY
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BELL'S

[illegible]

MARKET REPORTS

Commodities

COPPER bars were steadier. Afternoon. Cash bars, 1902-1910, 2000-2010, 2010-2020, 2020-2030, 2030-2040, 2040-2050, 2050-2100, 2100-2200, 2200-2300, 2300-2400, 2400-2500, 2500-2600, 2600-2700, 2700-2800, 2800-2900, 2900-3000, 3000-3100, 3100-3200, 3200-3300, 3300-3400, 3400-3500, 3500-3600, 3600-3700, 3700-3800, 3800-3900, 3900-4000, 4000-4100, 4100-4200, 4200-4300, 4300-4400, 4400-4500, 4500-4600, 4600-4700, 4700-4800, 4800-4900, 4900-5000, 5000-5100, 5100-5200, 5200-5300, 5300-5400, 5400-5500, 5500-5600, 5600-5700, 5700-5800, 5800-5900, 5900-6000, 6000-6100, 6100-6200, 6200-6300, 6300-6400, 6400-6500, 6500-6600, 6600-6700, 6700-6800, 6800-6900, 6900-7000, 7000-7100, 7100-7200, 7200-7300, 7300-7400, 7400-7500, 7500-7600, 7600-7700, 7700-7800, 7800-7900, 7900-8000, 8000-8100, 8100-8200, 8200-8300, 8300-8400, 8400-8500, 8500-8600, 8600-8700, 8700-8800, 8800-8900, 8900-9000, 9000-9100, 9100-9200, 9200-9300, 9300-9400, 9400-9500, 9500-9600, 9600-9700, 9700-9800, 9800-9900, 9900-10000, 10000-10100, 10100-10200, 10200-10300, 10300-10400, 10400-10500, 10500-10600, 10600-10700, 10700-10800, 10800-10900, 10900-11000, 11000-11100, 11100-11200, 11200-11300, 11300-11400, 11400-11500, 11500-11600, 11600-11700, 11700-11800, 11800-11900, 11900-12000, 12000-12100, 12100-12200, 12200-12300, 12300-12400, 12400-12500, 12500-12600, 12600-12700, 12700-12800, 12800-12900, 12900-13000, 13000-13100, 13100-13200, 13200-13300, 13300-13400, 13400-13500, 13500-13600, 13600-13700, 13700-13800, 13800-13900, 13900-14000, 14000-14100, 14100-14200, 14200-14300, 14300-14400, 14400-14500, 14500-14600, 14600-14700, 14700-14800, 14800-14900, 14900-15000, 15000-15100, 15100-15200, 15200-15300, 15300-15400, 15400-15500, 15500-15600, 15600-15700, 15700-15800, 15800-15900, 15900-16000, 16000-16100, 16100-16200, 16200-16300, 16300-16400, 16400-16500, 16500-16600, 16600-16700, 16700-16800, 16800-16900, 16900-17000, 17000-17100, 17100-17200, 17200-17300, 17300-17400, 17400-17500, 17500-17600, 17600-17700, 17700-17800, 17800-17900, 17900-18000, 18000-18100, 18100-18200, 18200-18300, 18300-18400, 18400-18500, 18500-18600, 18600-18700, 18700-18800, 18800-18900, 18900-19000, 19000-19100, 19100-19200, 19200-19300, 19300-19400, 19400-19500, 19500-19600, 19600-19700, 19700-19800, 19800-19900, 19900-20000, 20000-20100, 20100-20200, 20200-20300, 20300-20400, 20400-20500, 20500-20600, 20600-20700, 20700-20800, 20800-20900, 20900-21000, 21000-21100, 21100-21200, 21200-21300, 21300-21400, 21400-21500, 21500-21600, 21600-21700, 21700-21800, 21800-21900, 21900-22000, 22000-22100, 22100-22200, 22200-22300, 22300-22400, 22400-22500, 22500-22600, 22600-22700, 22700-22800, 22800-22900, 22900-23000, 23000-23100, 23100-23200, 23200-23300, 23300-23400, 23400-23500, 23500-23600, 23600-23700, 23700-23800, 23800-23900, 23900-24000, 24000-24100, 24100-24200, 24200-24300, 24300-24400, 24400-24500, 24500-24600, 24600-24700, 24700-24800, 24800-24900, 24900-25000, 25000-25100, 25100-25200, 25200-25300, 25300-25400, 25400-25500, 25500-25600, 25600-25700, 25700-25800, 25800-25900, 25900-26000, 26000-26100, 26100-26200, 26200-26300, 26300-26400, 26400-26500, 26500-26600, 26600-26700, 26700-26800, 26800-26900, 26900-27000, 27000-27100, 27100-27200, 27200-27300, 27300-27400, 27400-27500, 27500-27600, 27600-27700, 27700-27800, 27800-27900, 27900-28000, 28000-28100, 28100-28200, 28200-28300, 28300-28400, 28400-28500, 28500-28600, 28600-28700, 28700-28800, 28800-28900, 28900-29000, 29000-29100, 29100-29200, 29200-29300, 29300-29400, 29400-29500, 29500-29600, 29600-29700, 29700-29800, 29800-29900, 29900-30000, 30000-30100, 30100-30200, 30200-30300, 30300-30400, 30400-30500, 30500-30600, 30600-30700, 30700-30800, 30800-30900, 30900-31000, 31000-31100, 31100-31200, 31200-31300, 31300-31400, 31400-31500, 31500-31600, 31600-31700, 31700-31800, 31800-31900, 31900-32000, 32000-32100, 32100-32200, 32200-32300, 32300-32400, 32400-32500, 32500-32600, 32600-32700, 32700-32800, 32800-32900, 32900-33000, 33000-33100, 33100-33200, 33200-33300, 33300-33400, 33400-33500, 33500-33600, 33600-33700, 33700-33800, 33800-33900, 33900-34000, 34000-34

**THIS NOTICE DOES NOT CONSTITUTE AN OFFER
FOR SALE**

ISSUES OF GOVERNMENT STOCK

The Bank of England announce that Her Majesty's Treasury has created on 6th October, 1981, and has issued to the Bank, an additional amount of £250 million of each of the Stocks listed below:

12 PER CENT TREASURY STOCK 1987
12½ PER CENT TREASURY LOAN 1992
14 PER CENT TREASURY STOCK 1998-2001

The price paid by the Bank on issue was in each case the middle market closing price of the relevant Stock on 6th October, 1981 as certified by the Government Broker.

In each case, the amount issued on 6th October, 1981 represents a further tranche of the relevant Stock, ranking in all respects *pari passu* with that Stock and subject to the terms and conditions of the prospectus for that Stock, save as to the particulars therein relating to the amount of the issue, the price payable, the method of issue and the first interest payment.

Dated 24 July, 1980, 1st August, 1975 and 23rd November 1973 respectively may be obtained at the Bank of England, New Issues, Watling Street, London, EC4M 9AA.

Application has been made to the Council of The Stock Exchange for each further tranche of stock to be admitted to the Official List for dealing on Thursday, 8th October, 1981.

The Stocks are repayable at par, and interest is payable half-yearly, on the dates shown below:

<i>Stock</i>	<i>Redemption date</i>	<i>Interest payment dates</i>
12 per cent Treasury Stock 1987	3rd November 1987	3rd May
12 1/2 per cent Treasury Loan 1988	22nd January 1992	22nd January
14 per cent Treasury Stock 1996-2001	22nd May 2001, or on or at any time after 22nd May 1998 subject to not less than three months' notice	22nd May
		22nd November

The further tranches of 12½ per cent Treasury Loan 1992 and 14 per cent Treasury Stock 1998-2001 will rank for a full six months' interest on the next interest payment date applicable to the relevant Stock. Dealings in the further tranche of 12 per cent Treasury Stock 1987 for settlement prior to 3rd November, 1981 will, in common with the existing Stock, be effected on an ex-dividend basis.

BANK OF ENGLAND
LONDON
6th October, 1981

Wall Street

New York, Oct 6/7.—Stocks were mostly lower at the close after moving uncertainly through most of the session because of confusion surrounding the assassination of Egypt's President Sadat.

The Dow Jones industrial average was off closed down 3.61 at 856.26. It had dropped from an early gain to show a loss, then recovered by mid-session, before slipping back again.

Declining issues were ahead at the close. Volume turned downward to 45.7 million shares from 51,290,000 shares yesterday.

The market was unable to set its course through most of the morning because of the uncertainty over whether Mr. Sadat had been killed.

Mr. Keith Bertell, manager of the trading department at Donaldson Lufkin & Jenrette said the market showed underlying strength through that period. "It acted very well on the news about Sadat", he said. "Now people are talking about the political ramifications."

[illegible]

DOMESTIC AND CATERING SITUATIONS

AU PAIR

immediate position in Rocky Mountain area of U.S.A. Private room, board, transportation both ways, auto for excursions. Light housekeeping and tutoring for child: ages 11, 15, 17. Prefer college education, non-smoker, and one year minimum stay. Photograph, references, and résumés to:

**BUTLER, HOUSEMAN &
CORDON BLEU COOK**

HOUSEKEEPER
Required for country house situated Henley-on-Thames. Would suit either married couple or single person. References essential. Applicants to contact Miss P. Small on 01-235 9012, between 9.30 and 6 p.m. for an appointment.

CHEERFUL TRAINED children's
nurse/nanny for Jonathon

HOUSE AND GARDEN - Eleanora
16 and 18, in Holland Park, London
home and weekends in Wiltshire. Southern
only with the children. 15 years
cooking, 15 ability to speak French
and Italian. In a home and an
an advantage driving license
essential. Interesting permanent
position with many facilities.
Write above to: Job Vacancies
Telephone: 01-672 5811 Office
hours and ask for Emma.

EXPERIENCED Cook and Assistant
married couple or two friends
for Kent country house. Dec 26th.
Traditional Christmas dinner. Tel
phone daytime. Geoff Gray or
01-935 6165.

PERSONAL

MOTOR CARS

**RANGE ROVER
T REGISTERED**

White, left-hand-drive, power steering, power brakes, stereo, radio, cloth seats, Michelin tyres, in excellent condition, only 36,000 miles. Bargain at £24,500 o.n.o. as owner leaving country. Telephone: Bath (0225) 319188

ROLLS ROYCE & BENTLEY

**ROLLS ROYCE
SILVER SHADOW**

'79-'80 1V, Honey Gold, tan trim, 15,000 miles. Fully equipped. Totally as new.

\$24,850 one
Tel. 0028 22888

SITUATIONS WANTED

WANTED WORK in Central London. High school diploma. Educated in England. I am a 35 year old Chinese man with 35 years old children at home. I am a very hard working man in any sphere, willing to be paid, but not a secretary, £700 p.a. 25.

YOUNG post-graduate returning student 1 week remunerative employment in London. Please consider. Tel. 0307 312560

INTERESTING position available. A well established American university will do anything legal to get you to work for them. 6-8.50 a wk. Mon-Fri.

DAY week employment. Large London firm. Typing, secretarial, telephone manner, ability to communicate with people, pleasant, reliable. Present role placed in London. Excellent salary. Tel. 01-775 5555

WANTED 1145 weekends

E.A. HANS 66 female, non white, 5'6", 120 lbs, blonde hair, blue eyes, brown teeth with UK passport. Box No. 0914 G. The Times.

(continued on page 30)

LEGAL NOTICES

also see page 25

THE COMPANIES ACTS, 1908
IN LONDON: LONDON & Co. (General)
NOTICE is hereby given, that a Special
Ordinary Meeting of the Shareholders of
the said Company, for the purpose of
altering the Memorandum and Articles
of Association, will be held at Charter-
house, London E.C.3, on Thursday, the
11th day of December, 1931, at 10 o'clock
of the forenoon, for the purpose of
considering and voting upon the Resolutions
submitted to the said Meeting, and
passed on this 11th day of October
1931.

In Order of the Board,
J. D. SPENCER
Secretary.

THE COMPANIES ACT, 1908
IN THE OFFICE OF THE REGISTRAR OF
LIQUIDATORS, AIRMAIL BLINDING CO.
Office 51 Abchurch Lane, London, E.C.4
NOTICE is hereby given, that the
Ordinary Meeting of the Shareholders of
the said Company, for the purpose of
altering the Memorandum and Articles
of Association, will be held at the
Office of the Registrar of Liquidators,
51 Abchurch Lane, London, E.C.4, on
Thursday, the 11th day of December, 1931,
at 10 o'clock of the forenoon, for the
purpose of considering and voting upon
the Resolutions submitted to the said
Meeting, and passed on this 11th day of
October 1931.

In Order of the Board,
OLLY and GEORGE KILBY
Joint Liquidators,
National Westminster Bank, Ltd.,
1, Abchurch Lane, London, E.C.4
Sole Agents, British Date of Appointment,
11th day of October 1931.

OLLY and GEORGE KILBY
Joint Liquidators

18th September 1931.

NOTICE

All advertisements are subject to the conditions of acceptance of Times Newspapers Limited copies of which are available on request.



Have Times will travel.

If you're planning a journey The Times is just the ticket.

Our holiday and travel columns are published every day and carry a host of advertisements that'll help you make a fast getaway.

Cheap flights to world wide destinations, package deals to the sun or snow, villas on the Mediterranean, South Sea cruises or adventure treks through Darkest Africa.

Wherever you're going the place to start is in The Times Classified pages.

THE TIMES

Authorized Units, Insurance & Offshore Funds This table is published on Wednesday and Saturday.[illegible]

La creme de la creme

PA/Secretary to Business Development Manager

John Brown Earl & Wright Ltd. (formerly known as CJB Earl & Wright Ltd.) is a leading design consultancy in offshore engineering responsible for the design of the largest steel structures in the North Sea.

Specialising in the offshore oil and gas industry, the company is the acknowledged leader in its field providing a stimulating work environment.

One result of our success in this highly competitive and fast moving business is this new role, providing assistance to the Business Development Manager, whose areas of responsibility range from P.R. and advertising to searching out and negotiating new business and the preparation of tenders.

You will also take responsibility for a number of personal assignments including your own sales and publicity projects, helping

in the planning and running of promotional events, and providing the business development team with a lot of organisational support.

Secretarial skills required are 90/80 wpm shorthand/typing plus audio and a familiarity with business machines. In addition you will need to demonstrate a strong personality, initiative and imagination, good administrative ability and an enthusiastic approach to learning all there is to know about an exciting high technology business. You'll be aged 25+.

A highly attractive salary and benefits package is offered for this position. Hours of work 8.30 a.m. until 5.30 p.m.

For more information please contact Miss Lynne Brington, John Brown Earl & Wright Ltd., 20 Eastbourne Terrace, London W2 Tel: 01-262 8080.



JOHN BROWN-EARL AND WRIGHT
Consulting Engineers

PER executive secretaries

BI LINGUAL SECRETARY (ENGLISH/ITALIAN)

MENSWEAR W.I. £6,000-£7,000

Unique opportunity for an extremely well groomed efficient Secretary to work in the exhilarating atmosphere of the fashion trade. The job calls for a mixture of Secretary/PA/Receptionist and there is a great deal of involvement and client contact. You should have good typing, reliable rather than fast shorthand and knowledge of telex, combined with a smart appearance and outgoing personality. Fluency in both written and spoken Italian is essential. Salary will depend on experience and suitability.

Contact Angela George 01-235 9984
PER Executive Secretaries, 4-5 Grosvenor Place, Hyde Park Corner, London SW1X 7SB

Elizabeth Hunt

AUDIO PA
Director of studies involved in post graduate ad. £7,000
Training staffs a well educated organiser/secretary. This position offers excellent salary progression prospects and good fringe benefits. Shortlisting will be held on 10th October. 6 weeks notice and 4 weeks holiday.

MAINTENANCE
A well known firm of Chartered Surveyors seeks a highly motivated secretary to their Investment Manager. He is a very pleasant man and a very busy man. 100/80 wpm shorthand and good typing. Salary £6,000-£7,000.

CITY BANKERS
A major International Merchant Bank seeks a PA/Secretary with banking experience to assist the Managing Director. The position involves a lot of travel and a high level of responsibility. Salary £7,000-£8,000.

COMMODITY BROKERS
Our clients, an International firm of Commodity traders, £7,000-£8,000
PA/Secretary to their Financial Director. Preferably you should have a business knowledge of oil and metals. Own office, free lunch, 100/80 wpm shorthand.

Elizabeth Hunt Recruitment Consultants
18 Grosvenor Street London W1 Telephone 01-499 2921

£7,500-PERSONNEL

Our brief is to find an assistant who can provide support to the Personnel Vice-President for Europe in an internationally known American company in Knightsbridge.

The role will cover recruitment, organisation of training programmes, research and liaison with overseas offices.

The pace is fast-but fun-so the successful candidate must have good skills, drive in a hectic environment and enjoy the added ingredient of responsibility.

Directors' Secretaries
RECRUITMENT CONSULTANTS
Tel: 01-629 9323

OFFICE ADMINISTRATOR

To £10,000 + Free Travel
American Brokers

This position will ideally suit someone with current or recent exp. as an administrator. The job is demanding and your strong personality combined with a financial background will be essential. 28-35, 100 wpm shorthand & 60+ typing. A consistent work record, excellent presentation and an alertness of your necessary equipment. Excellent package of benefits.

Phone Michael on 629 7832
Barnett Personnel Res. Cons.

CITY MERCHANT BANK SEEKS EXPERIENCED SENIOR SECRETARY

For Assistant Director engaged in highly confidential corporate finance work. Impeccable shorthand and audio typing skills necessary together with ability to understand and administer a wide range of complex financial matters. Previous experience in similar post an advantage. Opportunity to learn word processor. Excellent salary and working conditions, plus attractive fringe benefits including mortgage subsidy scheme.

Ring 01-623 8711 ext 247

SECRETARY

£6,500 plus Mortgage

required by an international organisation to assist one of their key senior managers. This position will appeal to those who enjoy working in a sophisticated but down to earth environment where initiative and hard work are the order of the day. Secretarial skills including audio must be good. Excellent fringe benefits. Close to Tube. 25-40 years.

01-408 1611

MacBlain NASH
Recruitment Consultants

SALES MARKETING CO., W.I.

TELE/REC. TYP. 1st class receptionist required to run reception for busy Sales Marketing Co. in W.I. Will train on new computerised switchboard although previous telephone experience essential. Fast accurate typing required. Must be a team player. Must be smart and well spoken. Salary £5,000-£6,000. Audio/typing. Considered. Salary £4,500. For further details of the above telephone Sue Dorrer, 409 1628

UP TO £6,500

Applications are invited for the post of Vice President of a very busy international company with a wide range of responsibilities. Candidates should have several years experience working with top management and have full knowledge of all secretarial duties including shorthand, telex, and word processing. Age should be over 22 years. Applications in writing only with full C.V. to: EQUILIBRIUM INTERNATIONAL CORPORATION, BOWATER HOUSE, 5th Floor, 45, Abchurch Lane, London, EC4A 3DF

CAREER POTENTIAL

GRADUATE Secretary with shorthand for exciting P.R. venture - £6,000.

PERSONNEL: Interesting opportunity for secretary-involvement in international personnel - £6,500.

SECRETARIAL SELECTION 01-629 5062

Executive Secretary

If you have a cheerful, energetic personality and a proven ability to produce results in a fast-paced environment, this could be the right opportunity for you. A demanding position with a high level of responsibility and a high salary. There is a considerable amount of telephone contact.

The person appointed to this position will be responsible for the day-to-day running of the office and will be expected to work at a senior level. Working conditions are excellent, with modern office facilities, close to the station and local shops. There is also car parking.

Please apply in writing giving details of age, education, experience and current salary to:

Miss R. A. Williams,
Birds Eye Wall's Limited,
Walton on Thames,
SURREY

PRINCIPAL CANVASSER

£8,903 p.a.

An exciting opportunity exists for a Principal Canvasser to help set up and control a small telephone sales operation within The Times Supplements Advertisement Department.

Current experience of telephone canvassing is absolutely essential as is the ability to manage a small team. The successful applicant will be required to join NATSOPA Trade Union.

Please send full career and personal details to:
Desmond Hayes,
Assistant Personnel Manager,
Times Newspapers Limited,
P.O. Box 7,
200 Gray's Inn Road,
London WC1X 8EZ.

MEDIA ADVERTISING

£5,250 NEG.

We are a large International Advertising Agency in Mayfair and are seeking a young, lively, intelligent Secretary to work with one of our media groups. This is a career position which would appeal to a mature person who has good secretarial skills and admin ability who would enjoy working in a friendly, if sometimes hectic, team environment. We have a sub restaurant and wine bar and co. shop. For further details please telephone:

HELEN BRIANT ON
629 9496

A RECORD AND VIDEO COMPANY

HAVE TWO VACANCIES WITH POTENTIAL FOR EXECUTIVE APPOINTMENTS FOR SELF-MOTIVATED ORIENTED PERSONS.

PA SECRETARY TO THE MANAGING DIRECTOR
PA SECRETARY TO THE DIRECTOR OF MARKETING AND PROMOTION

APPLICANTS SHOULD BE EDUCATED TO 'A' LEVEL STANDARDS WITH EXPERIENCE IN EITHER PRESS MARKETING 'A' AND R MEDIA BUSINESS AFFAIRS. SALARY NEGOTIABLE. CALL JEAN MCKENZIE ON 853 6886.

SECRETARY TO CHAIRMAN

Beautiful/convenient West End office. Age 23/35. Salary on merit. Christmas bonus, holiday bonus, lunches. Please propose salary.

Box No. 0936 G The Times

The Condé Nast Publications Ltd

Publishers of Vogue, House & Garden and Brides and Selling Up Home Magazines. We are looking for a highly motivated, energetic, and enthusiastic young woman to join our team as a Secretary to the Managing Director. She will be responsible for the day-to-day running of the office and will be expected to work at a senior level. Working conditions are excellent, with modern office facilities, close to the station and local shops. There is also car parking.

For further details of the above telephone Sue Dorrer, 409 1628

JNR SECRETARY TELEVISION

Leading television company are looking for a College leaver (min speeds 100/80) to learn all about the exciting, fast moving world of television. Training career opportunity for someone with enthusiasm and initiative.

01-499 6566

THE GROSVENOR BUREAU
Staff Consultants

CAREER OPPORTUNITY

£6,000 neg plus bonus
We seek a person to act as Secretary/Assistant to the Managing Director of a leading international company. The successful candidate will be responsible for the day-to-day running of the office and will be expected to work at a senior level. Working conditions are excellent, with modern office facilities, close to the station and local shops. There is also car parking.

Please telephone PERRY BATTISON
01-499 7269

Career plan
01-499 7269

Secretary to £6,500

Proposals: Manager in Harrow based engineering company wishes to recruit a Secretary, someone with plenty of common sense and initiative, lively personality and good secretarial skills. Prepared to work occasional overtime. Willingness to learn word processing essential. For further details contact Barbara Sherwin, Carstairs & Co. Ltd. (Emp. Agr) 01-853 9698

Experienced Secretary PA

Required by Managing Director of a leading international company. The successful candidate will be responsible for the day-to-day running of the office and will be expected to work at a senior level. Working conditions are excellent, with modern office facilities, close to the station and local shops. There is also car parking.

01-903 9021

Office Administrator up to £7500 pa

A well known firm of international management consultants requires an Administrator to manage its London office. This is a new appointment.

The Administrator will be responsible to the Managing Director for office staff including word processing operators. Additional responsibilities will include the operation of internal control systems and the central filing systems. The Administrator will also carry out secretarial duties for the Managing Director.

The successful candidate will be aged about 40, with several years' office management experience. First class secretarial skills, including shorthand are also required.

In the first instance please write giving details of age, qualifications and experience to date to Julie McIlraith, Personnel Assistant.



Stoy Hayward & Co.,
54 Baker Street,
London W1M 1DJ

Private Chalet - Crans-Montana

We need two people to look after the chalet and our guests next season from early January to early April.

Apart from general housekeeping, they will provide cooked meals, drive weekly to Geneva to collect and deliver guests to the airport in a VW mini-bus and keep the chalet accounts.

Applicants, aged 25-35, will have relevant experience in a similar role or as a courier at a ski resort. Cooking ability to Cordon Bleu standard is essential, and good conversational French, continental driving and skiing experience would be an advantage.

As well as an attractive salary, we provide free board and accommodation, full insurance cover, lift abatement, free travel to and from the resort and one free day a week.

Please write, giving personal and relevant experience details, to A.C.J. Hagerman, 21 Eaton Row, London, S.W.1.

Hilton International Secretary to Senior Vice-President

We are looking for a highly qualified experienced Personnel Secretary for our Senior Vice-President responsible for all Hilton Hotels in Europe, Africa and West Asia. His Secretary will handle all correspondence, travel arrangements and appointments and ensure the smooth running of this very busy top executive's office. They will also work closely with his Personal Assistant. Applicants for this senior secretarial position should have had at least three years' experience working for a top executive of a multi-national company. Impeccable secretarial skills are essential (shorthand 120/typing 70) with excellent presentation and accuracy. Age 25-35. Top salary and benefits. It is hoped that the successful applicant can join us as soon as possible.

Applicants should apply in writing with up-to-date C.V. to Mr Robin Spearmen, Director of Personnel and Training, Hilton International Co., 21-24 Shaftesbury Avenue, London WC2H 8EQ.

Lloyds Underwriting Agency PA/Secretary

£7,500
A founder director/partner shareholder of a highly respected Lloyds Underwriting Agency, a leading international company, is seeking a PA/Secretary to assist him in his duties. The successful candidate will be responsible for the day-to-day running of the office and will be expected to work at a senior level. Working conditions are excellent, with modern office facilities, close to the station and local shops. There is also car parking.

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Director for academic institution based in the PARIS area running educational programmes in Middle East requires exceptional P.A. Excellent secretarial skills, good organiser, ability to work in English and in French, ability to cope with different nationalities and age groups, ability to work under pressure, essential. 2/3 years experience. English mother tongue preferred. Write giving full career and educational details to: Mr. Schloesser, Director Centre France Proche Orient, 72330 JOUY EN JOSAS, FRANCE or telephone (01) 941899.

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A responsible role in a major company
£5,500-£6,000 p.a. Slough

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In addition to providing him with a full and efficient secretarial service you will be responsible for a variety of other duties that involve liaising with customers, and generally ensuring the smooth running of a busy office. On occasion you may also be required to drive the Director's Company Car - for which a clean driving licence is essential.

Probably aged 23-30 years, you will have good secretarial skills (50/120) together with a mature and responsible attitude to your work and the ability to cope well under pressure. Some experience within a similar senior position is essential.

Please write in the first instance with full C.V. quoting ref. no. MOXON 7/808 to Barbara Kelly Moxon at Dolphin & Kerby Ltd, 178-202 Great Portland Street, London W1N 5TB.

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The ideal person must possess all the recognised secretarial skills, be a good organiser, adaptable and confidential. Previous experience gained in money broking environment would be an advantage. The successful applicant will be attractively rewarded.

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